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E. P. Balkema, *President*

FRIDAY, SEPTEMBER 13, 1940



*A friendly group
to join for steady
progress*



**THE OHIO NATIONAL
LIFE INSURANCE COMPANY**

CINCINNATI, OHIO

T. W. Appleby, President

The NATIONAL UNDERWRITER

Forty-fourth Year—No. 37

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, SEPTEMBER 13, 1940

\$3.00 Year, 15 Cents a Copy

Fritz Elected to Head Institute at Chattanooga Parley

Over 150 Attend Three Day Session on Underwriting Problems

NEW OFFICERS ELECTED

President—W. K. Fritz, Lamar Life.
Vice-president—N. T. Weaver, Bankers Health & Life.
Secretary—W. B. Lehmkuhl, American Reserve Life.
Executive committeemen — W. E. Stovall, Gulf Life; E. W. Beresford, Old Line Life; W. E. Jones, Provident Life & Accident; R. K. Dunn, Colorado Life.

CHATTANOOGA—W. K. Fritz, underwriting manager Lamar Life, was elected president of the Institute of Home Office Underwriters at the annual meeting here. He succeeds John L. Briggs, assistant secretary Southland Life. More than 150 attended the three-day session. The highlight was the annual banquet, with John A. Chambliss, general counsel Provident Life & Accident, as the main speaker.

The three host companies, the Volunteer State Life, Interstate Life & Accident and the Provident Life & Accident, entertained the delegates with a cocktail party preceding the banquet.

The selection of the next convention city was left to the executive committee. Many invitations were received.

Dr. Henry Extends Welcome

With Vice-president W. E. Jones. Provident Life & Accident, as general chairman, Dr. C. R. Henry, medical director Provident Life & Accident, welcomed the visitors.

Annual reports were made by President Briggs; Mr. Fritz for the membership committee; D. B. Alport, Business Men's Assurance, secretary-treasurer; W. H. Harrison, Ohio National Life, educational committee.

Present membership totals 82 companies, a gain of 14, located in 30 states, President Briggs reported.

W. O. Menge, Lincoln National, spoke on "Life Insurance and the War."

E. W. Beresford Presides

C. F. Barney, American United Life, was chairman of the afternoon session. A. M. Best, president of Alfred M. Best Company, New York, spoke on "The Shifting Importance of Operating Factors," and Donald B. Cragin, medical director Aetna Life, on "A Method of Underwriting Cases Showing Glycosuria." Raymond A. Burke, assistant secretary North American Reassurance, and Mr. Menge were co-chairmen at the second morning session when case clinics were presented.

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Program Is Completed for Philadelphia Convention

Thirty-three speakers, led by 16 producing agents, will address the main sessions of the annual convention of the National Association of Life Underwriters in Philadelphia, Sept. 23-27. Other participants in the meeting will be seven general agents and managers, four educators, three home office men and three well known public figures.

Announcement is made that two distinguished outsiders—Senator Millard E. Tydings of Maryland and General Hugh S. Johnson—will address the convention. Senator Tydings will address the Thursday morning session and General Johnson the "Fellowship Luncheon" Friday noon.

Because of the fast-moving tempo of the national defense program, neither of these men was able to give his final acceptance for earlier announcement.

Senator Tydings has made his militant attitude favoring state supervision of life insurance known in several addresses during the past year.

General Johnson, former NRA administrator, now conducts a syndicated newspaper column. He has promised, at the conclusion of his address, to undertake "a rough and tumble question and answer period with no holds barred."

The names of the four most recent insurance speakers who have been engaged to round out the schedule of major addresses are released this week. They are: Albert E. N. Gray, assistant secretary of Prudential, and Dewey R. Mason, general agent for Aetna Life at Syracuse, both of whom will talk Friday morning; M. Lee Alberts, supervisor for Equitable Society at Chicago, who will be co-chairman with Grant Taggart of the "Work Habits" seminar, and Ralph Sanborn, associate general agent for Connecticut Mutual Life in Boston, who will share the speaking assignment on the "Business Insurance" seminar with William H. Burns.

Experienced Speakers

Mr. Gray and Mr. Mason are experienced speakers on both selling and inspirational topics. Mr. Alberts is a life member of the Million Dollar Round Table, and Mr. Sanborn, a pioneer in the field of business life insurance, was the author of an early text on that subject.

The program will be divided between speakers who will discuss specific phases of selling, featuring fast-moving, individualized marketing ideas, and those whose addresses will be built around the central theme of the convention, "American Life Insurance—the Epitome of Our Democracy."

All the talks on the convention program will be brief, according to Paul C. Sanborn, Connecticut Mutual, Boston, program chairman. Each speaker has a definite message and this has resulted in a limiting of the time assigned for the addresses.

Special features of the program include a series of four seminar sessions on Wednesday afternoon, a special presentation of the Philadelphia association's playlet, "The Trial of John Q. Agent" during the same afternoon, the Ameri-

can College of Life Underwriters' hour and the Million Dollar Round Table hour at the Thursday morning meeting, and the annual fellowship luncheon Friday noon.

Advance reservations in Philadelphia hotels indicate that the attendance will reach a new high for N. A. L. U. annual meetings.

The complete program of the main convention sessions is:

Wednesday Morning, Sep. 25

C. J. Zimmerman, Connecticut Mutual, Chicago, national president, chairman of the session.

Invocation—Rev. Alexander Mackie, D.D., president Presbyterian Ministers' Fund, Philadelphia.

Musical Selections—John Wanamaker Corps of Cadets with Male Chorus, Miss Florence Kirk, soprano, and Edward Roeker, baritone.

Welcome from convention host—Edward L. Reiley, Penn Mutual, president.

Introduction of special guests.

Message of the president—Charles J. Zimmerman.

Lawrence E. Simon, general agent, Massachusetts Mutual, New York.

Lowell Thomas, author, lecturer and radio news commentator, New York.

Wednesday Afternoon

2:30 p. m.—Seminar sessions.

"Programming"—James Elton Bragg, manager Guardian Life, New York, chairman; Charles L. Kluss, Connecticut Mutual, Chicago co-chairman.

"Business Insurance"—William H. Burns, Philadelphia, chairman; Ralph Sanborn, associate general agent Connecticut Mutual, Boston, co-chairman.

3:30 p. m.—Seminar sessions.

"Work Habits"—Grant Taggart, California-Western States Life, Cowley, Wyo., chairman; M. Lee Alberts, supervisor Equitable Society, Chicago; co-chairman.

"Privileged Pensions"—Denis B. Maduro, attorney, New York, chairman.

3:30 p. m.—Playlet.

"The Trial of John Q. Agent"—Written by Clifford H. Orr, general agent National Life of Vermont, Philadelphia; produced and acted by members of the Philadelphia association.

Thursday Morning

Harry T. Wright, Equitable Society, Chicago, National vice-president, chairman of session.

Invocation—Rabbi William H. Fineshriber, D.D., Reform Congregation, Keneseth Israel, Philadelphia.

Musical selections—Keystone Quartet of Pennsylvania Railroad.

The American College Hour—John A. Stevenson, president Penn Mutual Life, presiding.

Robert A. Dechert, counsel Penn Mutual; Dr. James T. Young, professor of public administration, business school University of Pennsylvania; Leroy A. Lincoln, president Metropolitan Life; Irvin Bendiner, New York Life, Philadelphia.

Address—Senator Tydings of Maryland.

"The Million Dollar Round Table Hour"—Henry G. Mosler, Massachusetts Mutual Life, Los Angeles, presiding.

Edward J. Dore, Mutual Benefit, Detroit; Paul H. Dunnagan, Canada Life, Minneapolis; Walter N. Hiller, Penn Mutual, Chicago; Ben S. McGiveran, general agent Northwestern Mutual, Eau Claire, Wis.; Henry W. Hays, Massachusetts Mutual Life, Rochester; H. K. Nickell, Connecticut General Life, Chicago; A. J. Ostheimer, III, Philadelphia; Tom B.

Pink Makes Strong Appeal for State Supervision

Contact Between People, Local Governments Vital

PHILADELPHIA — Superintendent Pink of New York added to his luster in stating the case for state supervision of insurance at a session of the American Bar Association here Wednesday that was sponsored by the insurance section of the A. B. A.

"If there was need for federal supervision," he said, "it was before the Armstrong investigation. There is no necessity for it now. If there is no need, why change? Is there not already sufficient centralization of power, influence and control in the federal government? It is probably the largest business corporation on earth."

Mr. Pink expressed the opinion that the case of Paul vs. Virginia is not a sufficient bulwark against national supervision. The courts are more and more responsible to the demands of the executive branch of the government. Neither may too much reliance be placed upon the fact that both the Democratic and Republican platforms contain a plank espousing state supervision. "Platforms," he said, "seem to be treasured largely to embarrass candidates when they run again."

Must Be More Responsive

The only bulwark upon which state supervision can permanently depend, he said, is the constant improvement of its efficiency. It must be more and more

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Reed, Great Southern Life, Oklahoma City; H. Ben Ruhl, Massachusetts Mutual Life, Detroit; Ron Stever, Equitable Society, Pasadena; Jack Lauer, Cincinnati; John O. Todd, Chicago.

Friday Morning

Paul C. Sanborn, Connecticut Mutual, Boston, presiding.

Invocation—Rev. James W. Gibbons, D.D., Retreat Master St. Joseph-in-the-Hills, Malvern, Pa.

Musical selections—Strawbridge & Clothier Choral Society.

Report of the committee on resolutions.

Holgar J. Johnson, president Institute of Life Insurance.

Dewey R. Mason, general agent Aetna Life, Syracuse.

Albert E. N. Gray, assistant secretary Prudential.

Report of committee on nominations.

Friday Noon

Fellowship Hour—C. J. Zimmerman, presiding.

Music and entertainment—Direction of James V. Loughran, Philadelphia.

Presentation of the officers of the Philadelphia association and the convention committee chairmen.

Address—Gen. Hugh S. Johnson.

Fidelity Mutual's Annual Leaders' Club Convention

**President Talbot Urges
Better Understanding
with Buying Public**

HOT SPRINGS, VA.—The most important contribution insurance men can make to the national weal is to become crusading missionaries in the cause of a better understanding of life insurance on the part of the public, said Walter LeMar Talbot, president Fidelity Mutual Life, at the company's Leaders' Club convention here. Activity in this respect should be something tangibly apart from routine sales activities as well as a definite part of those activities.

Mr. Talbot feels that insurance people are rightfully expected to make some contribution to the unity and strength of the nation something over and beyond lip service to a freedom which is taken for granted. The recently organized Institute of Life Insurance, a board of strategy for the furtherance of this important, widespread acceptance of life insurance, is a part of this big program. Without every man's energetic help, it can accomplish only a fraction of its mission, he warned.

No one can escape the impact of world events upon the minds and hearts of men, nor can anyone ignore the uncertainty and indecision it arouses. Agents cannot pretend that these things do not influence business relations with people, said Mr. Talbot. "But I do think that we can add to our selling skills a new philosophy of mind which will overcome such adverse reactions as we encounter and which will enable us to harness for good the power generated by serious thought on grave questions."

Emphasizes Time Element

In the first place, he pointed out, agents can bring to their contacts a keener realization that there never has been in the recorded history of man any appreciable period of time in any section of this world where causes of worry and apprehension have not existed. There has certainly never been a period very long in the history of America, when some measure of disaster did not threaten, he said.

One mistake agents make, Mr. Talbot said, is the emphasis they place upon it at the time. The lesser alarm which disturbed a person's sleep yesterday,

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**Rally at Virginia Hot
Springs Demonstrates
Character of Field Force**

By A. R. JAQUA

Insurance men love conventions. The Fidelity Mutual Leaders' Club is no exception and it held its 40th three-day convention, starting Sept. 4, at Hot Springs, Va., with about 250 in attendance.

The Club, Fidelity Leader's Club, like all Gaul, is divided into three parts. Those who pay for \$2,000 in premiums; those who pay for \$3,000 and those who pay for \$4,000 and up. It is not to be wondered that the company which originated the disability provisions in life contracts, originated the "Income for Life" contract and the double indemnity provision should base agents' qualifications on premiums paid rather than volume written.

Officers and directors of the club attained their positions automatically by the amount of premiums paid. The president this year was J. E. Fitzgerald of San Francisco with \$26,000 premiums on 78 lives—which brings his record to six wins out of eight tries—two years resulting in second place. Formerly a civil engineer, Fitzgerald is now a member of the Million Dollar Round Table.

H. N. Lyon Vice-president

Vice-president is H. N. Lyon of San Francisco, who won second place last year also. "Hap" was one-time boxing champion of the navy, resigned his commission, went through the usual discouraging first years until he found himself and for six years now has been a star performer. Last year he did \$16,000 in premiums on 166 lives.

R. W. Campbell of Altoona, Pa., is second vice-president and during nine years with Fidelity has occupied most of the posts of honor from director to president.

L. C. Burwell, Jr., Charlotte, N. C., retained the position of secretary from last year. (In his spare time he flies his own plane and plays championship tennis.) G. S. Denton of Topeka qualified as a leader his first year with Fidelity, won two years as director and this year upped himself to treasurer. He is an exponent of evening calls.

The directors of the club are: H. T. Dillon, Atlanta; C. K. Gordy, New

Study Insurance Welfare of New Service Men

WASHINGTON—Protection of insurance carried by men inducted into the new conscript training army as well as for national guardsmen called into service appears scheduled for special Congressional consideration in legislation separate from the conscription bill.

While the conscription bill itself makes no provision for either the protection of existing policies or the providing of any government insurance for trainees, steps are on foot in Congress to introduce measures dealing with the subject, and conferences have been held between Veterans Administration officials and insurance executives with a view to developing the best plan for meeting the situation.

It is said in Washington that there are several avenues open for the handling of the problem, including the issuance to trainees of policies on the same terms as are accorded members of the regular army, as well as the issuance of short-term policies covering the period of army service which later might be taken over by the insurance companies if the trainees desired to continue them.

There is also some discussion of legislation providing for a moratorium on premium payments on policies in the hands of trainees when they enter service, and it is probable that some of the views now being entertained may be translated into measures for introduction in Congress.

Haven; C. A. Kratz, Baltimore; R. L. Craig, Birmingham; Sidney Rice, Indianapolis; F. L. Bettger, Philadelphia; H. A. Mader, Ridgeway, Pa.; Paul Wechsler, Philadelphia; F. A. Eades, Roanoke and C. B. Metheny, Pittsburgh.

New Song Leader Each Day

Extras. Speeches at a Fidelity convention as elsewhere may be good or bad or indifferent, but the singing is always good. There was a new song leader each day; T. M. Green of Baltimore, D. A. Nash of Chicago and A. J. McQuilkin of Philadelphia. In addition there were a number of solos, notably by Mrs. McQuilkin and Mrs. F. P. Kreer, agent extraordinary in Chicago. And of course no Fidelity convention is complete without a number of demonstrations of magic by C. B. Metheny of Pittsburgh who confounds and amuses all and sundry by his sleights-of-hand.

There is an astonishing amount of talent at any insurance convention. Fidelity

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Counsel Federation in Annual Meeting at Atlantic City

H. Beale Rollins of Baltimore Is Elected the New President

By DOROTHY B. PAUL

ATLANTIC CITY—H. Beale Rollins, Baltimore, was named head of the Federation of Insurance Counsel at the annual meeting here. The vice-presidents are Nathan Phillips, Toronto; M. F. Lord, Aurora, Ill.; George Burns, Rochester, N. Y.; Frank T. Lloyd, Jr., Camden, N. J.; R. H. Matthias, Chicago. John A. Millener, Rochester, N. Y. was reelected secretary-treasurer. The board of governors for the term 1940-1942 consists of L. C. Markel, general counsel American Fidelity & Casualty, Richmond, Va.; P. N. Booth, Louisville, Irvin Waldman, New York City; Scott Fitzhugh, Memphis, Tenn., and G. A. Farabaugh, South Bend, Ind. who will fill the unexpired term of President Rollins.

Public Relations Committee

The establishment of a public relations committee was strongly urged by retiring President Scott Fitzhugh in his opening address.

"In this dark hour a committee on public relations from this association can do much to improve our profession, and to increase good will in our respective communities," he said. "Such activity will ultimately add strength to our national defense, at a time in our history when all of our people should be thoroughly united in purpose and good will."

Mr. Fitzhugh referred to the fact that at the time of the last annual meeting at Rye, N. Y., the world was on the verge of a great war and now, 12 months later, war clouds are over whole continents.

"Our Canadian friends have gone into war, and some of our members are now engaged in service at home and abroad. To all of them we pay our heartfelt respect."

"Confronted as we are with such a serious situation, we must be willing not only to participate in the rights of citizenship, but we also must be willing

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MINNESOTA MUTUAL LIFE OFFICERS IN 60th BIRTHDAY CELEBRATION



T. A. PHILLIPS
President



H. W. ALLSTROM
Vice-president and Actuary



H. J. CUMMINGS
Vice-president and Agency Supervisor



E. A. ROBERTS
Vice-president and General Counsel

Claim Men Gather in Colorado Springs for Annual Parley

Distinguished Speakers Headed by Gov. Carr Before International Group

NEW OFFICERS ELECTED

President—Charles E. Anstett, New York Life.
Vice-President—P. J. O'Connor, General American Life.
Secretary—Louis L. Graham, Business Men's Assurance.
Treasurer—F. L. Templeman, Maryland Casualty.
Executive Committee—Willard E. Hein, State Mutual Life, chairman; Fredrick T. Bernhard, Home Life; Daniel J. Reidy, Guardian Life; Lee Wilks, Lincoln National Life.

COLORADO SPRINGS—Several public officials, including Governor Carr of Colorado, addressed the annual meeting of the International Claim Association held here for three days. Greetings were extended by the governor and Commissioner Kavanaugh of Colorado.

Among the other distinguished speakers were Major General H. J. Brees, commanding the eighth corps area, who discussed selective service; Judge Richard Hartshorne of the common pleas court, Essex county, N. J., president Interstate Commission on Crime, who talked on "Our Insurance Against the Fifth Column."

At the opening session, G. M. Day, Connecticut General, executive chairman, presented a gavel to President D. J. Reidy, Guardian Life.

Eight Companies Are Added

Eight new member companies were reported by the membership committee: Alliance Life, Capitol Life, Midland Mutual Life, Missouri Insurance Company, Protective Life, Employers Reinsurance Corporation, American National and Central Life of Des Moines.

President Reidy thanked the officers, executive committee and chairmen and members of committees, with special tribute to Secretary Louis L. Graham, Business Men's Assurance.

Judge Talks on Fifth Column

Judge Hartshorne said claim men who have had experience in sizing up people and situations, could be of the utmost service in detecting fifth column activities. He said such subversive activities always have been the forerunners of armed invasion. He traced the fifth column activities in the countries which have fallen to the Nazi forces, showing the method used has been essentially the same in all countries. In the United States, all the facts of fifth column activities cannot be made public, but direct connection of these activities with the Nazi government can be shown, he said. Tons of written propaganda have been spread over the country with especial attention to colleges and American Legion posts. To combat the fifth column activities, surveys should be made in all munition factories and the power plants should be protected. All foreign agents should be required to

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Legal Section Card for Annual Meeting

Number of Important Papers Will Be Presented in Chicago

J. H. Cabaniss, general counsel Protective Life of Birmingham, who is chairman of the Legal Section of the American Life Convention, has completed the program for its annual meeting to be held at the Edgewater Beach Hotel, Chicago, Oct. 7-8. E. A. Roberts, vice-president and general counsel Minnesota Mutual Life, is secretary of the section and according to custom will be moved up to the chairmanship at the annual meeting.

At the first morning session greetings will be extended by C. A. Craig, chairman National Life & Accident, who is president of the American Life Convention, and General Manager C. B. Robbins of the organization. Attorney M. E. Benson of the American Life Convention will give a review of recent decisions. John F. Handy, associate counsel Massachusetts Mutual Life, will present a paper on "Expert Testimony." The annual luncheon that day will be addressed by Robert Dechert, counsel Penn Mutual Life, on "The Philadelphia Murder-for-Insurance Ring."

Other Program Features

At the afternoon session, J. T. Gurney of Orlando, Fla., associate counsel Bankers National Life, will have a paper on "Resort to Equity After Claim for Disability." Another speaker is M. W. Mangus, general counsel State Life of Indianapolis, on "Waiver and Estoppel as a Substitute for Payment." J. F. Finlay, general counsel Interstate Life & Accident at Chattanooga, will give a

NLRB Stand May Bring Court Fight

WASHINGTON—Possibilities of a court test of the application of the national labor relations act to the insurance industry are seen in recent orders of the national labor relations board ordering collective bargaining elections among industrial agents in offices of John Hancock Mutual Life at East St. Louis, Ill., and Hoboken, N. J.

During hearings before the board on the applications of two organizations for certification as the collective bargaining agent for the company's industrial agents at the two offices, the company raised the question of constitutionality in view of Supreme Court decisions that insurance is not interstate commerce, but was overruled by the board.

Court Case Depends Upon Company

There were indications that the NLRB is willing to have the case taken to court so that a definite decision can be secured as to the coverage of the act, but whether such a test will be made depends upon the company.

The board is represented as believing that, since the branch offices must communicate with the home office regarding

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report of the committee on insurance contracts with minors.

On the second morning, Joseph O'Meara, Jr., associate counsel Western & Southern Life, will deal with legal problems that may arise upon the payment of policy proceeds according to the company's own records and without investigation as to competing claims of which it has no actual knowledge. R. H. Kastner, associate counsel, American Life Convention, will give his annual review of legislation and departmental action of the year.

Warns Bar Assn. of Probable Shift in Reversion Rule

"Incidents of Ownership" to Be Viewed More Strictly, Says P. H. Topping

PHILADELPHIA—Discussing what the insured and the beneficiary face in the way of federal estate taxes on life insurance proceeds, P. H. Topping, assistant counsel Guardian Life of New York, told the insurance section of the American Bar Association that in view of the present trend in internal revenue department regulations and court decisions insured should place no reliance in the tax-exempt status of their life insurance unless they have divested themselves of even a reversionary interest in the proceeds. It is likely, said Mr. Topping, that the present regulations which imply that the decedent has no incidents of ownership in a policy even though there is a possibility of reversion to him if the beneficiary should die before him will be repealed by departmental action or judicial decision.

"It is therefore, wise for every insured who has used the irrevocable beneficiary designation as a means to avoid estate taxes to review his policies or have them reviewed by his attorney," he said. "The insured should divest himself of the possibility of reversion by assignment or other means."

Mr. Topping pointed out that in all methods of avoiding incidents of ownership on the part of the insured the question arises as to whether or not the insured's efforts to avoid taxes may be defeated by his subsequent conduct, particularly by his paying the premiums.

Cautions on Premiums

"The wording of the present regulations does not make the question of who pays the premiums an element in considering the taxability of the proceeds," he said. "As the regulations and the law are silent on the subject and rulings are none too clear, as a matter of precaution, it is recommended that if the insured is attempting to divest himself of the incidents of ownership in the policy every effort should be used by him to avoid paying the premiums himself either actually or constructively."

"The Supreme Court has strongly intimated that whether or not the insured pays the premiums is immaterial if he has divested himself of the incidents of ownership but the court did not pass directly upon that issue. (Lang vs. Commissioner, 304 U. S. 264, 82 Law ED. 1331.) In that matter the policies were taken out in a community property state and the premiums were paid out of community property funds. The court held that inasmuch as the community property law holds that one-half of community assets belongs to the wife the result was that the wife had paid one-half of the premiums on the policies and therefore one-half of the policies were exempt."

Question Left Unanswered

"In that case, the insured had the right to change the beneficiary under all policies. The question left unanswered is: would the fact that one-half of the premiums had been paid out of his community interest have permitted the exemption of the entire proceeds if he had not the right to change the beneficiary or had assigned the policy to another?"

In his opening remarks, Vice-presi-

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D. J. Reidy

THE POINTING FINGER

Readers of the standard books of etiquette are told that it is not polite to point. But we can think of one time when it is not only polite to point but also very wise. And that is on Mondays.

On Mondays the life insurance underwriter would do well, when talking to any acquaintance, to open a newspaper, turn to the correct page, point, and ask, "Have you read this?"

For what he'd be pointing to would be a certain "column" in the paper, an interesting column, a friendly column, a column on the subject of our life insurance work and about how our work affects the public.

The column is the one carrying President Holgar J. Johnson's discussion for the Institute of Life Insurance,—"Hindsight and Foresight." It is printed in 259 newspapers circulated throughout this country, in big cities and small cities, and it has more possible readers than any other column printed. Anything we can do to help make sure that our contacts really do read it, the better job it can do—the job of helping the life insurance fraternity. And that's why we urge the pointing finger 28 Mondays this year.

* * *

THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Connecticut Mutual Promotions Involve Four Officials

Vincent Coffin, F. J. Eberle, George Smith and Martin Tenney Advanced

HARTFORD—The Connecticut Mutual Life announces the promotion of four officials. Vincent B. Coffin becomes vice-president and superintendent of agencies; F. J. Eberle second vice-president in charge of mortgage loans; G. F. B. Smith and H. M. Tenney assistant vice-presidents.

Mr. Coffin has been in charge of agency affairs since August, 1937, when he was made second vice-president and superintendent of agencies. Upon graduation from Wesleyan University in 1919, he entered the Carnegie Tech. school of life insurance training, the first course of its kind ever given in the United States. He subsequently entered insurance as an agent for the Provident Mutual and later served as assistant general agent. From 1926 to 1928 he served as director of the life insurance training course at New York University, following which he became educational director for the Penn Mutual. In 1931, he went to the Connecticut Mutual as superintendent of agencies and in 1937 was named second vice-president and superintendent of agencies. Mr. Coffin is chairman of the board of directors of the Sales Research Bureau and vice-president of the Hartford College of Insurance.

Mr. Eberle has been assistant secretary since August, 1937. He became associated with the city loan department of the Connecticut Mutual upon graduating from Trinity College in 1927. He was made supervisor of city loans in 1933 and assistant secretary in 1937. Mr. Eberle has been instrumental in expanding the city loan division. At present the Connecticut Mutual has over \$137,000,000 of city loans.

Mr. Smith will continue as a member of the official staff of the agency department where he has been assistant superintendent of agencies, assuming

"Quality Pays" Men at Home Office

NEWARK—Representing 10 agencies, the 10 winners in the Mutual Benefit Life "Quality Pays" campaign arrived in Newark for their two-day "victory visit" to the home office. The leaders were presented to officers at an informal reception, and then received campaign certificates of award from President Hardin. Before luncheon with company officials they participated in an open discussion conducted by Vice-president E. E. Rhodes and heard Dr. W. R. Ward, medical director, speak about the history of the Mutual Benefit. After luncheon and a tour of the home office building, Assistant Secretary A. J. Kirkland led an informal discussion of settlement options. A trip to the New York Fair, with dinner at the French pavilion, rounded out the day. Individual conferences with officers and discussions by A. J. Riley, underwriting executive, C. P. Clark, medical director, and J. F. Whinery, assistant medical director, were the order of the second day.

Winners of the trip were C. B. Ryan, Murray, Ky.; F. A. Nannestad, Albert Lea, Minn.; W. H. Cobb, Americus, Ga.; W. E. Wright, Toledo; T. F. Milligan, Spokane; L. G. Singer, Milwaukee; H. M. Neal, Los Angeles; R. F. Bierbaum, Chicago; Tyer Sawyer, Miami, Fla., and R. O. Beals, Norwich, Conn.

such other duties as may be assigned to him. He is a graduate of Amherst College, and immediately following graduation entered the Pittsburgh agency of the Connecticut Mutual, becoming supervisor and personnel director. In January, 1930, he went to the home office as agency assistant, devoting his time to training and organization development. He became assistant superintendent of agencies in 1933, supervising general agencies in the midwest.

Mr. Tenney has been with the Connecticut Mutual since 1935 when he was made assistant supervisor of city loans. He was formerly with the First National Company of St. Louis, one of the largest first mortgage loan houses in the midwest. During his 13 years with this firm he covered the United States making loans and appraisals in more than 40 different cities.

Mr. Tenney is a graduate of Boston University. He was made supervisor of city loans in 1937. In addition to his new duties as assistant vice-president, he will continue his city mortgage work.

Ernest Palmer Views State Control

Illinois Director Shows Its Superiority Over Federal Supervision

PHILADELPHIA—Director Ernest Palmer of the Illinois department gave a number of reasons for the superiority of state supervision of insurance over federal supervision in his talk before insurance section of the American Bar Association. While conceding that there are many problems of state supervision to be solved and that there are defects in the system, he pointed out that the several states afford an immense laboratory for experimentation and solution of insurance problem. Comparison and exchange of experience afforded by this system is hard to replace, he said.

"All I'm going to say about federal supervision," he said, "is this: I don't believe in too much centralization of power in the regulation of any business, but more particularly one in which the average individual citizen has such a personal stake as he has in insurance. Ordinarily citizens by the hundreds come into my office in Chicago and Springfield every year to discuss their insurance policies and grievances. They couldn't go to Washington.

Commissioners Aid Each Other

"Every commissioner knows his home state companies whether they be doing business only in his state or nationwide. The home state commissioner, with regard to his own companies, is often helped very materially by the suggestions of the other 47 state commissioners where some of his companies are doing business.

"The record of insurance supervision by the states naturally may be subject to some criticism but no one, on the record, can question its value through the years and particularly in times of stress. The office of insurance commissioner has increased in importance until today he is an integral part of every state government."

Mr. Palmer said that though some may question the wisdom of granting the insurance commissioner the broad powers he has in a number of states, yet an examination of the record will show as few appeals from his decisions to the courts as any administrative officer with like duties over as vast an industry as insurance. This is particularly noteworthy, he said, when one

Insurance Counsel Federation Hears Impressive Papers

R. L. Hogg Discussed Unemployment Benefit Status of Life Agents

ATLANTIC CITY, N. J.—Claims filed by former insurance agents seeking unemployment compensation have given rise to the question whether the company involved should submit evidence in support of a request for a ruling as to its liability for unemployment tax contributions, said R. L. Hogg, assistant general counsel Life Presidents Association, at the annual meeting of the Federation of Insurance Counsel.

He said that the general practice seems to be when a claim is filed for benefits by a former agent in a state where there has been no ruling as to liability for contributions, appearance is made by the company in connection with the claim for benefits and at the same time, the company submitting its contracts and other material in support of a request for a ruling as to its liability for contributions. This procedure has been extensively followed in New York, where a number of claims have been filed by former agents, he said. He recommended this procedure as a time-saver. Also, there is danger in letting a case go by default.

Termed Hazardous Point

"While the consensus is that an adjudication in a claim case may not necessarily determine liability for contributions, yet it is a hazardous point," he said. "It is felt inadvisable to permit a claim case wherein status is in issue to be passed upon by default on the part of the company. In any event an award of benefits wherein status was involved would certainly be extremely

(CONTINUED ON PAGE 8)

considers the many methods of questioning his authority, such as mandamus, injunction and the various prescribed statutory methods of review of his orders, rulings, and the decisions.

PROMOTIONS MADE BY THE CONNECTICUT MUTUAL LIFE



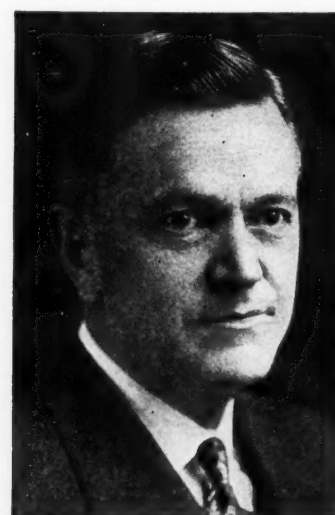
VINCENT B. COFFIN
Vice-president-Supt. of Agents



FREDERICK J. EBERLE
Second Vice-president, Mortgage Loans



GEORGE F. B. SMITH
Assistant Vice-president



H. MARTIN TENNEY
Assistant Vice-president

RECORDS

Connecticut Mutual—Reports 30.1 percent increase for August over last year. August sales were \$8,736,000, and bring the year's production to \$67,880,000, 8.4 percent ahead of last year. A gain of \$29,459,000 in insurance in force for the first eight months is reported. The year to date gain in insurance in force is greater than the gain registered for the entire year 1939. Total insurance in force now stands at \$1,071,000,000.

Manhattan Life—New paid for production for August was 34.6 percent ahead of August of 1939. Production for the first eight months is 31 percent over the same period of 1939. The gain in insurance in force the first eight months of 1940 is greater than that for the entire year of 1939. The insurance in force stands at \$82,909,159.

Franklin Life—New business in August showed a 50 percent increase over the preceding month, and was substantially ahead of August, 1939. It was the biggest month in 1940 in volume. Keen interest and rivalry have been generated in a baseball "Slug Fest" in which Franklin agencies have been matched for the past seven weeks.

Union Mutual Life—Paid business for August shows a gain of 22 percent. Business for the first eight months is ahead 24 percent.

Northwestern National—Biggest August business on record, 95 percent ahead of August, 1939, and climaxing a three-months acceleration in sales, is reported. August sales totalled \$6,671,684 against \$3,402,644 in August, 1939. The improvement started in June, with a gain of 10 percent; expanded farther in July, which was 42 percent ahead of July, 1939, and nearly doubled in August. The three months' gains have reversed the downward trend shown earlier in the year, lifting the eight-months total of new business above the corresponding period of 1939, \$37,831,357 to \$34,701,736.

Larger denomination policies are being purchased this year, the report states. The average policy written the first eight months was \$3,203 in face amount, compared with \$2,819 in the corresponding period of 1939.

Reliance Life—Reports \$4,044,270 in new life insurance paid for in August, increase of 4.4 percent over August, 1939. New life insurance paid for the first eight months totalled \$35,137,525, an increase of 4.2 percent. Life insurance in force at the end of August was \$497,343,738, a new high. John T. Bardwell of St. Louis, led with \$254,000 for the month.

Fidelity Mutual Life—A comparison of the records for the first six months of 1940 with the like period of 1939 shows a 10.9 percent gain in new business and 9.4 percent gain in business paid for. Insurance in force gained \$1,723,905 in the six months period to a total of \$367,670,910. Improvement in mortality amounted to 13.2 percent, the ratio for the first six months being 49.9 percent. Terminations amounted to \$678,291. Ledger assets stood at \$131,390,688.

Equitable of Iowa—New business paid for in August exceeded that of August, 1939, by 37.5 percent. The total was \$4,338,798. It was the largest August volume since 1937, and increased the gain for the year to 7.7 percent.

The O. G. Welsh agency, Cleveland, led all agencies in August, and leads the entire field for the first eight months.

Kansas City Life—August was the eighth consecutive month showing an increase over the corresponding month a year ago. In honor of President W. E. Bixby's birthday anniversary, agents wrote 3,218 "apps" for \$6,625,214, almost 10 percent over a year ago.

Central Life, Ia.—Shows a 30 percent increase in paid business in August. The field force conducted a campaign during the month in honor of E. H. Mulock, president. The new paid business for

Holgar Johnson Slated to Address LAA Rally

One of the features of the opening session of the annual meeting of the Life Advertisers Association in Washington, D. C., Oct. 14, will be an address by Holgar J. Johnson, president of the Institute of Life Insurance, on "Your Job and Mine." The L. A. A. was one of the first organizations to extend its offer of support following the formation of the Institute, and has a standing committee for cooperation with the Institute.

Entertainment plans for the ladies are announced by F. R. Brauer, advertising manager Home Beneficial. Directly in charge of looking after the ladies will be Mrs. Karl Ljung, Greensboro; Mrs. C. Sumner Davis, Philadelphia; Mrs. Forrest Brauer, Richmond; Mrs. W. L. Jessup, Greensboro; Mrs. Micou Browne, Raleigh, and Mrs. Kenneth R. Miller, Richmond.

The morning of Oct. 14 the wives will go on a conducted tour of the White House. In the afternoon, the entire assembly will visit the FBI at the department of justice. That evening there will be a dinner at Hogate's on the waterfront, followed by an evening of planned entertainment at the headquarters hotel.

The next morning the ladies will go on a sightseeing trip and that afternoon there will be a fashion show. The dinner dance and floor show will take place that night.

Research Bureau Alumni to Hold Philadelphia Dinner

V. B. Coffin, vice-president and superintendent of agencies Connecticut Mutual, will be the speaker at the reunion dinner of the alumni of the Sales Research Bureau's Schools of Management Sept. 24 at the Penn Athletic Club, Philadelphia. Mr. Coffin is board chairman of the bureau. Entertainment will be in charge of G. P. Shoemaker and Jules Anzel, general agents in New York City of the Provident Mutual and Continental American respectively. H. L. Wofford, Prudential manager in New York City, president Eastern Alumni Association of the bureau's schools, has charge of reservations. Manager J. M. Holcombe, Jr., and many members of the bureau staff will be present, as well as out of town general agents and managers, since the dinner comes during the National Association of Life Underwriters convention week.

Mrs. Miller Not to Appear

Mildred Poindexter Miller, Penn Mutual, Kansas City, who was scheduled to take part in the panel discussion at the Women Underwriters Session Sept. 24, during the National Association of Life Underwriters convention in Philadelphia, will be unable to fill that engagement, as she will not attend the convention.

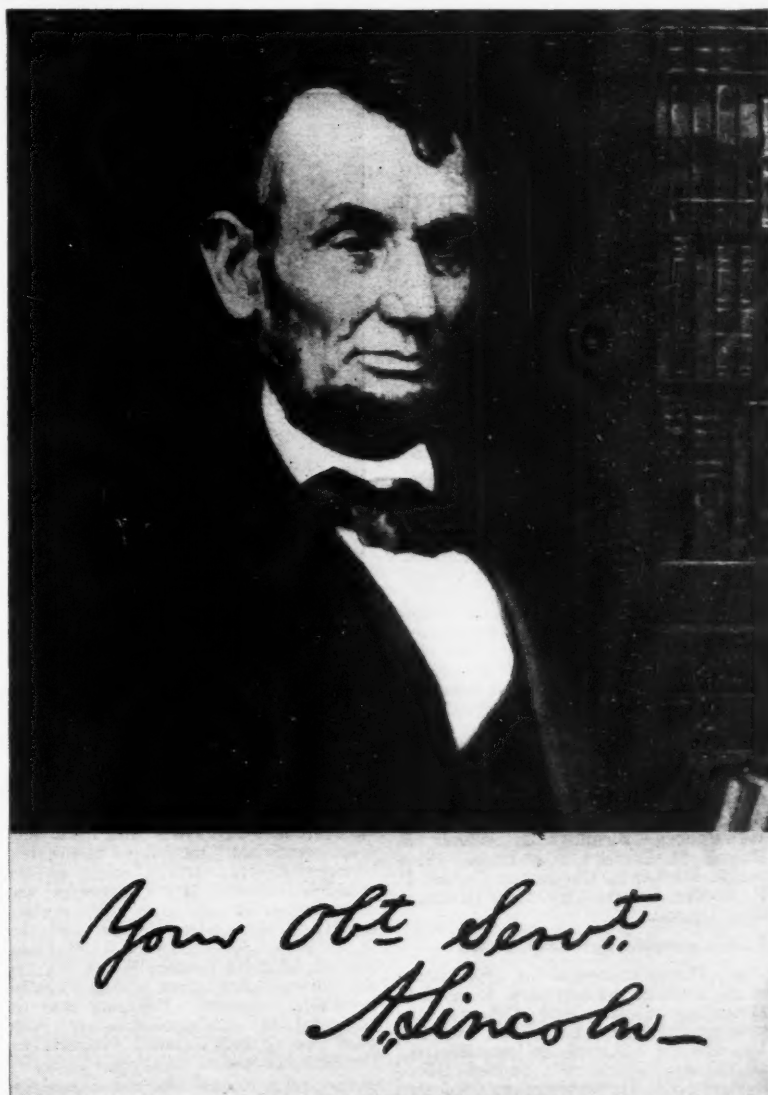
San Francisco Election Sept. 17

The San Francisco C. L. U. chapter will hold its annual meeting Sept. 17. Nelson Davis, Guardian Life, is now president. The meeting will follow the annual dinner.

the month was the largest turned in so far this year. The increase in insurance in force also brought the total for the first eight months of the year to the highest mark since 1934.

Bankers Life, Ia.—New life insurance sales for the first eight months totalled \$33,520,635, a gain of 9 percent. W. K. Nieman's Des Moines agency led all units in sales for the year.

Mark S. Trueblood, Union Central Life, Los Angeles—Paid for in excess of \$1,000,000 of new business in August and thereby stepped into first place among all the company's agencies for the first time in 35 years. The agency was 35.8 percent ahead of its paid for business for August, 1939.



From September 7th issue Saturday Evening Post

EVEN WHEN he held the highest office within the gift of the people, Lincoln subscribed himself, humbly, "Your Obedient Servant."

Today, a like sense of responsibility guides this Company which bears his name. This responsibility is first and foremost in behalf of the policyholder. As a provider of insurance protection, Lincoln National constantly attempts to serve the largest number of applicants. As an investor of its policyholders' funds, records show that Lincoln National Life invests and builds with prudence.

This same obligation of responsibility rests upon your local Lincoln National Life representative. It is his duty to give you sound, unselfish counsel on your insurance problems—to try sincerely to be "Your Obedient Servant." Call him today.

More Than a Billion Dollars of Insurance in Force



**THE LINCOLN NATIONAL LIFE
INSURANCE COMPANY**

FORT WAYNE, IND.

ITS NAME INDICATES ITS CHARACTER

Oscar J. Brown New Counsel President

Attendance at White Sulphur Rally 500—Much Ground Covered in Reports

NEW OFFICERS ELECTED

President—Oscar J. Brown, Syracuse.
Vice-presidents—Oliver R. Beckwith, Aetna Life; R. G. Rowe, Lumbermen's Mutual Casualty; C. F. Merrell, Indianapolis.
Secretary — R. B. Montgomery, Jr., New Orleans.
Treasurer—Robert M. Noll, Marietta, O.
Executive committee—J. M. Sweitzer, Wausau, Wis., F. B. Baylor, Lincoln, Neb., W. O. Reeder, St. Louis.

About 500 members and guests attended the convention of the International Association of Insurance Counsel at White Sulphur Springs.

When the association met at White Sulphur four years ago it was welcomed to West Virginia by the then attorney-general, Homer A. Holt. The address of welcome on the present occasion was again made by Homer A. Holt, now governor of West Virginia.

The response on behalf of the association was made by Paul J. McGough of Minneapolis, Minn. President Gerald F. Hayes, Milwaukee, presented the living ex-presidents of the association—George W. Yancey, Birmingham, Walter R. Mayne, St. Louis, J. Roy Dickie, Pittsburgh, Marion N. Chrestman, Dallas, P. E. Reeder, Kansas City, Milo H. Crawford, Detroit.

Paid Executive Secretary Urged

Mr. Hayes expressed his appreciation of the work of the secretary, Richard B. Montgomery, Jr., New Orleans; the treasurer, Harvey E. White, Norfolk, Va., and the editor of the journal of the association, George W. Yancey, Birmingham. Mr. Hayes recommended that the association consider the advisability of having a single office of the association where the offices of secretary, treasurer and editor might be combined in a single paid executive secretary.

Insurance litigation from a claim man's point of view was the subject of an address by Harlan S. Don Carlos, former president International Claim Association and manager claim department Travelers.

The nominating committee appointed consisted of H. M. Roberts, Cleveland, chairman; Miller Manier, Nashville, F. A. Betts, Los Angeles, George W. Yancey, Birmingham, Pat Eager, Jackson, Miss.

Secretary Montgomery stated that there are 1,350 members. Treasurer White was unable to be present due to illness and his report showing a satisfactory balance was read by R. M. Noll of Marietta, O.

Howard D. Brown, Detroit, reported as chairman of the general legislative committee, and J. M. Sweitzer, Wausau, Wis., gave the report of the committee on home office counsel.

Oscar J. Brown, Syracuse, N. Y., reported as chairman of the committee on unauthorized practice of law.

The report of the chairman of the committee on health and accident insurance was made by Paul J. McGough, Minneapolis. The report of the committee on life insurance was made by C. M. Vrooman, Cleveland, O.

Will R. Manier, Jr., Nashville, gave a stirring address "An Insurance Policy for America's Future."

H. M. Roberts, Cleveland, chairman of the nominating committee, reported that the committee had decided to place in nomination for president three of the members: Oscar J. Brown, Syracuse, Robert W. Shackelford, Tampa, and George M. Weichelt, Chicago. As a result of the balloting Mr. Brown was chosen president.

Convention Chief



G. A. L'ESTRANGE

G. A. L'Estrange, manager of the accident and health department of the Wisconsin National Life, has been appointed chairman of the convention committee of the Health & Accident Underwriters Conference. The executive committee of the conference will meet next month to decide upon the place of the next meeting. Los Angeles and Chicago are the two cities that have been most prominently mentioned as the next convention city, with Chicago as the probable choice. Mr. L'Estrange was chairman of the program committee for the Health & Accident Conference meeting in Minneapolis last June. In that connection he did a thoroughgoing job and the various convention features evoked favorable comment. Energetic and resourceful, Mr. L'Estrange is certain to shape up a well rounded program for the next conference meeting.

Detroit Promises Surprise at Philadelphia Rally

DETROIT—Under the leadership of G. E. Lackey, general agent for Massachusetts Mutual and past National president, the "Detroit in 1941" committee, which represents the two Michigan underwriters' organizations, and the underwriters, managers and C. L. U. chapter in Detroit jointly, has launched a publicity campaign setting forth the merits of Detroit that it hopes will bring home the bacon in the form of selection of Detroit as the convention seat for the National Association of Life Underwriters in 1941.

Thousands of letters have gone out from committee headquarters, covering every delegate at the convention and Detroit's managers have also written their own organizations in other states soliciting their assistance in bringing the convention to Detroit. A few surprises have been planned by Mr. Lackey and his associates, too.

Detroit's bid will be conveyed to the current convention by a representation of 30-35 Michigan delegates, Mr. Lackey declares. "We feel that this is a fine time for the underwriters of America to come to Motor City where they can get a close-up picture of the greatest national defense activity the world has ever known," said Mr. Lackey. "We hope to have the opportunity to show them the hospitality of 'Dynamic Detroit.'"

SALT LAKE RETIRES FROM FIELD

SALT LAKE CITY—This city will make no further bid for the 1941 annual convention of the National Association of Life Underwriters. This was decided upon at a meeting of the local association, following the presentation of a report by the committee on finance, Walter M. Jones, chairman. It was felt that the association is numerically

Colorado Examination for Commissioner on Oct. 18

DENVER—Ten applications for examination for insurance commissioner have been taken out to date, the state civil service commission reports, although so far only two applications have actually been filed. The commission declined to reveal any names, but Commissioner Kavanaugh has announced that one of the filed applications was his.

Applicants have until Sept. 27 to file applications and pay the examination fees. The actual examinations will be held Oct. 18.

Although not confirmed, it is reported by usually reliable sources that J. G. Donaldson, state building and loan commissioner, is one of the prominent applicants. As a former deputy attorney-general, Mr. Donaldson took a prominent part in the cleanup of crooked mutual benefit outfits several years ago and drew up the present law regulating these concerns. Under the present setup this law is also administered by his department.

Because considerable recognition is given for experience, Commissioner Kavanaugh's reappointment is expected in statehouse circles.

Stock Fraud Charges Against Denver Operator

DENVER—District Attorney Carroll has filed charges of stock fraud against M. J. McCormick in connection with the operation of a concern known as National Insurance Shares Co. The complaint states that having broken with his brother, C. B. McCormick, president of Bankers Union Life, in February, 1939, M. J. McCormick set up National Insurance Shares. Prior to that time, M. J. had started Old Line Mutual of Denver. That organization, it is charged, was merged with National Insurance Shares, Inc.

The complaint states that at the same time M. J. McCormick became Colorado agent for Great American Life and Great American Life Underwriters of San Antonio. M. J. McCormick is said to have later on been dismissed as agent for these companies.

It is alleged that after dismissal, McCormick kept possession of lists which showed Colorado stockholders in the Great American companies. It is alleged that McCormick sent out salesmen with instructions to "switch" Great American shareholders to allegedly worthless stock in National Insurance Shares, Inc., and that a total of 22 stockholders took this step. A suit has now been filed in district court here in which the Great American companies are seeking to recover their stock lists and McCormick alleged breach of contract.

Connecticut Mutual School

HARTFORD—The sixth in a series of home office training schools is being conducted by the Connecticut Mutual Life during Sept. 9-27. Twenty-eight students from 13 eastern and middle western states are attending the school, which is under the general direction of Vice-president V. B. Coffin.

Actively assisting is E. C. Anderson, educational director; R. E. Pille and C. R. Walker, agency assistants. Others of the home office staff, specialists in their own particular line of work will also lecture on the principles and practices in their individual fields.

Frank Mots, with the F. W. DuBose general agency of the Old Line Life of America in Milwaukee, was presented a gold watch by President John E. Reilly at the home office on completing five years of consecutive weekly production. He produced 482 applications for an average of 96 annually.

too small and financially unable to warrant bringing the convention here, for the present at least.

The association endorsed Cincinnati for next year's convention. It favors Los Angeles for 1942.

Envelope Stuffers and Their Function

Advertising Men of the Philadelphia Sector Discuss Their Merit

At the September meeting of the Keystone Group of the Life Advertisers Association in Philadelphia, C. E. Yorke of the Penn Mutual Life spoke about what are known to the trade as "Envelope Stuffers," principally premium notice enclosures.

Displaying samples of such literature from various companies, Mr. Yorke pointed out that they had either of two basic uses, to conserve the business already in force, or to obtain leads for further new business, by inviting a request for informative literature.

The samples suggested many insurance needs—educational, mortgage coverage, estate settlement plans, salary continuance, insurance for women, etc., but he said the two plans most popular in actual use right now are retirement income and family protection. Of those in the business conservation class, the two most often successfully used suggest reductions of policy loans or change in mode of premium payment.

Mr. Yorke highlighted the importance of the use of premium enclosures when he reminded that life companies average one per year to each policyholder, which means around 110,000,000 in a year. "The percentage of replies is not high," he said, "but the ratio of sales to replies is materially profitable."

"While the copy and style used for this literature are dependent upon the ingenuity and taste of the sales promotion men, the most interesting development has been the tieup of this material to the companies' magazine and newspaper advertising plans. In one case at least, there was an illustrative and typographical coordination between magazine advertisement, house organ, sales promotion, direct mail, so as to form one strong series. This influences the whole setup to be a field man's sales help rather than a home office idea, which is an important point."

In the Keystone Group's open discussion of the theme, an interesting opinion was stressed, that while direct mail material is primarily intended for the layman, in actual practice its "sale" must really be made to the agent, in order that the agent will make fullest use of it. The mailing piece might be fresh and new to the client, but after it becomes too familiar to the salesman, he thinks of it as stale, and the printed matter must be revised or redesigned in order to encourage the agent to retain his own interest in obtaining fullest use.

Peoria Sales Congress

The Peoria Life Underwriters Association will hold its annual sales congress, Nov. 1-2. Those on the program will be Harry T. Wright of Chicago, Equitable Society, vice-president National Association of Life Underwriters who by the time the sales meeting is held will undoubtedly be president; Paul Speicher of Indianapolis, R&R Service, and Roy L. Davis of Chicago, assistant Illinois state insurance director. L. O. Schriver, Aetna Life, is chairman of the speakers committee. C. T. Wardwell, Connecticut Mutual is general chairman of the sales congress. F. P. Beiriger, president Illinois state association, is planning a meeting the day before the sales congress. He will invite the presidents of the state associations of the neighboring states, past presidents of the Illinois association and its officials and Executive Secretary Joy M. Luidens of the Chicago association.

L. L. Howard, publicity and advertising manager of the Columbian National Life, and Mrs. Howard are receiving congratulations over the arrival of a daughter, their first child.

Should Stress Reason for Insurance Tax Exemptions

Milton Elrod, Research & Review Service, Indianapolis, in addressing the round table on life insurance law at the American Bar Association meeting in Philadelphia, contended that life insurance is entitled to preferred treatment in the matter of estate taxation not because of the kind of property that a life insurance contract is, but in the kind of job the life insurance contract does.

"Through life insurance," he observed, "the poor man and the man of moderate means can make a provision for future financial support of his family, for their maintenance and their livelihood, that cannot be made in a similar fashion with any other kind of property. And it is the peculiar social service which life insurance performs in this manner that justifies its preferred tax position."

He contended that state and federal governments should provide the utmost in protection and preferential treatment of life insurance proceeds insofar as taxation is concerned, for the reason that the purchase and maintenance of life insurance is highly charged with the common welfare.

More Than Technical Distinctions

Mr. Elrod contended that the tax exemptions enjoyed by life insurance have been occasionally criticised and questioned because of failure to emphasize that the exemption is supported by considerations deeper than any legal classification of the life insurance contract. When such exemptions are supported on grounds of technical distinctions between life insurance property and other forms of property, the effect is likely to be lost upon the legislative mind and the mind of the average individual.

The special exemptions granted to life insurance are being questioned more and more frequently and vigorously, he declared. The opportunities for increased tax receipts inherent in the removal of the preference enjoyed by life insurance will result in it being subjected to increasingly close scrutiny, he predicted. He believes that the present position of life insurance under the state inheritance tax laws as well as under the federal estate tax law will be the subject of attack in coming months and years.

In the first part of his paper, Mr. Elrod skimmed over the situation in the various states regarding taxation of insurance proceeds. In general, he said, in every state, life insurance payable to named beneficiaries is exempt, either in its entirety or in certain limited amounts. This exemption is granted in addition to the general exemption allowed for general estate property.

Indemnity vs. Investment

P. F. Myers of the Washington, D. C., firm of Williams, Myers & Quiggle, explained that the settled policy of the federal government is to regard life insurance paid as indemnity for the death of the assured as exempt from income taxation, but to tax the so-called "investment profit" element of life insurance. He said the problems can be divided into four groups, tax liability on the proceeds of insurance contracts paid by reason of the death of the assured, on amounts paid for other reasons, on gain or loss upon the sale or exchange of life insurance policies and on dividends.

On the first point, Mr. Myers said that insurance proceeds paid to a beneficiary by reason of the death of the assured are not taxable. Where the proceeds are paid in instalments under a settlement option, the amount in excess of what the assured would have received had the contract been paid in a lump sum is taxable. In the Winslow case, decided by the United States circuit court of appeals, July 10, 1940, it was held that where the company agreed to pay the proceeds in 50 annual

instalments, only the difference between each instalment and 1/50th of the amount which would have been due in a lump sum settlement was taxable. In this case the assured had required that the proceeds of the policy be paid in instalments and Mr. Myers said that it has not been settled whether this rule will apply where the beneficiary exercises an option to take an instalment settlement. Likewise, the rule in the Winslow case is not absolutely final as yet. Where the proceeds are left with the company and the beneficiary receives interest, the interest is taxable, although there was a conflicting decision under which Penn Mutual Life was not permitted to deduct these interest payments from gross earnings on its tax return, a conflict which Mr. Myers called irreconcilable. Where the policy has been transferred, only the sum of the premiums and other consideration paid by the assignee or transferee is exempt from tax, except where the transferee is the assured himself. The transfer of an insurance policy by gift does not subject the proceeds to tax, except where the policy has previously been transferred for a valuable consideration. Taxable profits on the proceeds of transferred policies are taxed at ordinary rates and not at the capital gains rates.

Referring to the second class, Mr.

Myers said that when an endowment policy matures, other than by reason of the death of the assured, only the amount of premiums paid on the policy is excluded from taxable income. This rule also applies where the assured surrenders a life insurance policy during his lifetime and receives the surrender value. Where the assured leaves the proceeds of an endowment policy with the company at interest, the interest payments are taxable for the year in which they are received or credited. Annuities are not taxable until payments begin. Dividends paid before this are not income, but are treated as a reduction of net cost in calculating the taxable profit. After payment of an annuity begins, the taxpayer includes as gross income for the year the portion of the payment which is equivalent to 3 percent of the aggregate net premiums paid for the contract. Any excess income is excluded. When the aggregate amount excluded equals the aggregate net premium or consideration paid, the entire income from the annuity is reported as gross income and is taxable as such.

Turning to the surrender, sale or exchange of life insurance policies, Mr. Myers said that if the assured makes a gain it is taxable, but a loss is not deductible. If the policyholder returns a policy in exchange for a policy of an-

other kind and if no readily determinable cash value exists at the time of the issuance of the new policy, there is no taxable gain. There may be a taxable gain if the new policy has a determinable cash value. Profits realized from the sale or exchange of a policy are taxed at ordinary income rates and not at capital gains rates.

Taxes on Dividends

Amounts received as return of premiums paid on life insurance, endowment or annuity contracts and mutual company dividends which may be credited against the current premium are not subject to tax, but if dividends are left with the insurance company to accumulate interest, the interest is taxable, Mr. Myers said. In case the proceeds are paid for reason other than the death of the assured, dividends are considered in calculating the excess of the amount received over the cost of the contract.

Regarding state laws, Mr. Myers said that the states having income tax laws follow generally the taxing scheme of the federal government with reference to life insurance. There are very few state income tax decisions or rulings. However, many of the state statutes are based on federal revenue acts now repealed or amended and state income tax law has not been subject to the same

DOUBLE BARREL

After thoroughly testing its efficiency in field use, Fidelity has added another barrel to its Direct Mail Lead Service gun.

For twenty-four consecutive years its lead service, built around the "Income for Life" appeal, has produced a remarkably high return from interested prospects. Pulling 40% or more replies from some areas, its returns today, including the great metropolitan centers, still average 11%.

And now, to match the growing interest in Family Income and Family Maintenance plans, Fidelity has added a lead service which focuses on these appeals. Operating since September 1939, the new barrel for the sales gun has demonstrated the same high degree of marksmanship that gave the older lead service such prestige.

These lead services are backed by a sales kit which includes disability (waiver or income), regular and Modified "Income for Life", accidental death benefits, continuous instalment and Juvenile insurance providing for premium waiver in event of "death" or "disability or death" of the parent applicant.

Fidelity, now in its sixty-second year, operates in thirty-six states and the District of Columbia, has assets of more than \$131,000,000 and insurance in force of more than \$367,000,000—is widely known as a company friendly to policyholders and agents alike.



One of a series — Giving facts about the Fidelity.

The FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA

WALTER LEMAR TALBOT, President

vigorous growth as federal law. Mr. Myers said that an imperative need today is greater uniformity in the systems of taxation among the states and the federal government. He cited several instances of conflict between federal statutes or interpretations and those of states having income taxes.

Insurance Counsel Annual Convention

(CONTINUED FROM PAGE 4)

persuasive upon the administrative officials when they came to pass upon the question of liability for contributions."

Refusal of the internal revenue bureau to issue a blanket ruling as to agents of life companies generally raises the point as to whether a company which has not, up to the present time, obtained a federal ruling, should now seek one, he said.

"The bureau has clearly said not to seek such a ruling unless it is felt that the situation of the particular company is not covered by previous rulings," he pointed out. "There have been a large number of these previous rulings and it is felt that they cover every possible situation where there is a reasonable ground for a favorable conclusion."

Might Be Dangerous Admission

"To apply now for a ruling would be tantamount to saying that the application presents a novel situation not covered by precedent. This might be a dangerous admission. On the other hand, a favorable federal ruling serves as a good precedent in obtaining favorable rulings under state acts. Where difficulty is expected in some state it is well to be fortified with a federal ruling."

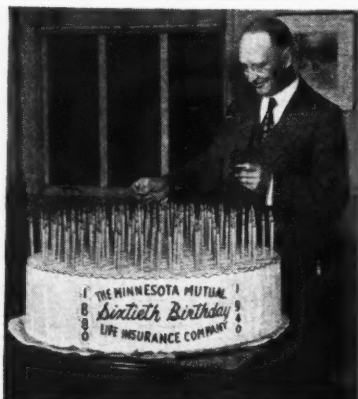
"All things considered, therefore, the consensus is that a federal ruling should be sought for this purpose alone. The present practice in seeking a federal ruling, however, is to point out that it is not sought because of differences in facts from cases already passed upon, but rather because of the value of a federal ruling as a precedent in dealing with the states. . .

"Logically it would seem that once the matter of status had been settled under the federal act little or no difficulty would be encountered when the same question arises under the state acts. Unfortunately such has not been the case. Although admitting that the coverage under the federal act is to be determined by the legal relation of employer and employee, some administrative officials contend that the coverage of their state acts is not to be thus determined by the legal standard of employer and employee relationship on account of statutory definitions of employment not appearing in the internal revenue code or the federal social security act."

Give your agents a new viewpoint. Distribute Carroll C. Day's "Little Red Wagons and Little Red Boots." Send \$1 for eight copies to National Underwriter.

Lights Candles on 60th Birthday

T. A. Phillips, president Minnesota Mutual Life, is shown lighting the candles on the company's huge 60th birthday cake which was a feature of its 60th anniversary celebration. Each candle in the cake had embossed upon it in gold the name of an agent who met the required sales quota at the time of the celebration.



Campaign Managers Are Entering Hectic Period

DES MOINES—Iowa life men have started a whirlwind campaign for the reelection of J. E. Rutherford, Penn Mutual, for trustee of the National Association of Life Underwriters. At present he is filling out the term of Karl E. Madden of Davenport who resigned as trustee in January. He is also serving as chairman of the "On to Philadelphia" committee.

Mr. Rutherford, at first hesitated on seeking election because of the enlargement of his agency, but stated he definitely would be a candidate because of the insistence of his friends and numerous associations.

GRANT TAGGART ACTIVITY

The Wyoming Association of Life Underwriters has endorsed Grant Taggart of Cowley, Wyo., for reelection as trustee of the National Association of Life Underwriters. He is a representative of California-Western States Life and is a member of the Million Dollar Round Table. A group of Californians is seeking to bring about the election of Mr. Taggart as national secretary.

EARL COLBORN CAMPAIGN

ROCHESTER—E. J. Schlitzer, Massachusetts Mutual general agent and chairman of the "Earl Colborn for Trustee" committee of the Rochester Life Underwriters Association, states that his committee has not felt called upon to campaign for endorsements of Mr. Colborn's nomination for a second term, because they believe that the character of his work as a member of the board during the last two years will fully justify his nomination and reelection. As chairman of the special committee on national council meetings in Holgar Johnson's administration Mr. Colborn had much to do with the rehabilitation of the national council as the effective legislative authority in the National association. He also served as chairman of the special committee on national headquarters reorganization. This year he is serving as chairman of three important committees—local association administration, state association finances, and national headquarters organization.

Messengers Move on Skates

State Farm companies have mounted their mail and messenger clerks on skates in their home office building at Bloomington, Ill., and find that the innovation not only speeds delivery of work throughout the departments but also enables one person to cover as much ground as two or three by foot.

N. W. National's Texas Rally

Texas agents of the Northwestern National Life attended a convention at Camp Waldemar near Kerrville. W. F. Grantges, superintendent of agencies, and Homer Hewitt, state manager, were the chief speakers. Texas business of the company for the first eight months of the year was reported the best ever.

QUIZ AD No. 3

QUERY: What life insurance company regularly consults with its agents on matters of company policy?

COMMENT: Believing that the problems of its fieldmen are the problems of the company... Continental Assurance is glad to have an independent, self-governing General Agents and Managers Association which counsels frequently with the officers of the company on agency and administrative affairs.

Continental
ASSURANCE COMPANY

CHICAGO, ILLINOIS

Affiliated with

**CONTINENTAL CASUALTY COMPANY
TRANSPORTATION INSURANCE COMPANY**

NEWS ABOUT LIFE POLICIES

By JOHN H. RADER

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and March respectively. PRICE, \$5.00 and \$2.50 respectively.

Travelers Rates Are Announced

The Travelers' new non-participating life and endowment rates, effective Oct. 1, are presented below. They show an increase varying up to 6 percent, depending upon the form and the age at issue. There is no change in the term, term expectancy, settlement options or income at maturity on retirement income forms.

The rate increases, percentage-wise, are greater at younger than at older ages, ranging from about 2½ percent on ordinary life at age 50 to more than 6 percent on 20 payment life at age 35. Corresponding increase in cash values results, this being greater for life forms than for endowments, which show only a slight rise. The new rates per \$1,000 for a number of popular forms are:

Age	Ret. End. 65	Cash Per Sett. 65	Life Exp.	10 Yr. End.	15 Yr. End.	30 Yr. End.
20	17.78	15.61	13.35	97.13	61.74	27.56
21	18.30	16.03	13.72	97.13	61.74	27.62
22	18.85	16.48	14.01	97.13	61.74	27.68
23	19.43	16.96	14.31	97.14	61.74	27.75
24	20.05	17.46	14.61	97.14	61.74	27.84
25	20.71	17.99	15.05	97.14	61.75	27.94
26	21.41	18.73	15.41	97.15	61.77	28.07
27	22.16	19.45	15.78	97.15	61.81	28.21
28	22.90	20.18	16.31	97.16	61.86	28.37
29	23.75	20.94	17.72	97.17	61.92	28.30
30	24.65	21.74	17.16	97.18	61.99	28.76
31	25.58	22.64	17.75	97.19	62.04	28.96
32	26.58	23.57	18.21	97.22	62.11	29.18
33	27.66	24.58	18.69	97.26	62.20	29.44
34	28.81	25.72	19.40	97.31	62.31	29.73
35	30.04	27.06	19.93	97.37	62.42	30.45
36	31.43	28.55	20.54	97.52	62.63	30.91
37	32.93	30.15	21.17	97.69	62.85	30.91
38	34.42	31.93	22.09	97.86	63.09	31.39
39	36.13	33.95	22.80	98.05	63.35	31.92
40	38.00	36.26	23.55	98.28	63.65	32.51
41	40.02	38.79	24.31	98.50	63.95	33.13
42	42.19	41.59	25.43	98.73	64.27	33.80
43	44.42	44.69	26.29	99.00	64.64	34.54
44	47.03	48.11	27.20	99.30	65.04	35.35
45	49.91	51.87	28.55	99.64	65.50	36.23
46	52.25	...	29.48	99.96	65.95	37.17
47	55.66	...	30.46	100.31	66.46	38.19
48	59.22	...	31.48	100.71	67.01	39.30
49	63.47	...	33.08	101.14	67.62	40.51
50	68.29	...	34.24	101.61	68.29	41.82
51	73.43	...	35.49	102.14	69.03	46.86
52	79.73	...	36.78	102.71	69.83	48.16
53	86.07	...	38.86	103.34	70.71	49.58
54	94.57	...	40.32	104.02	71.66	51.12
55	104.77	...	41.84	104.77	72.71	52.80
56	...	...	44.26	105.59	73.85	...
57	...	...	45.88	106.49	75.10	...
58	...	...	47.56	107.47	76.47	...
59	...	...	50.48	108.53	77.95	...
60	...	...	52.35	109.69	79.58	...
61	...	...	...	110.96	81.36	...
62	...	...	...	112.33	83.31	...
63	...	...	...	113.84	85.44	...
64	...	...	...	115.50	87.79	...
65	...	...	...	117.30	90.35	...

10 Year Endowment

Age 66, \$120.27; age 67, \$124.47; age 68, \$128.88; age 69, \$133.55; age 70, \$138.52.

Age	Ord. Life	20 Pay	Yr. End.	Ret. Inc. (men)
20	14.63	24.12	44.69	37.24
21	15.43	24.55	44.70	38.78
22	15.34	25.00	44.71	40.45
23	15.73	25.46	44.73	42.11
24	16.13	25.93	44.75	44.02
25	16.56	26.42	44.79	46.06
26	17.01	26.95	44.84	48.27
27	17.50	27.49	44.92	50.66
28	18.00	28.06	45.00	53.24
29	18.54	28.64	45.10	56.04
30	19.10	29.25	45.20	59.08
31	19.66	29.84	45.30	62.38
32	20.25	30.47	45.42	66.00
33	20.88	31.12	45.56	69.72
34	21.55	31.80	45.72	74.08
35	22.24	32.49	45.89	78.91
36	23.05	33.29	46.16	83.10
37	23.89	34.11	46.45	89.04
38	24.77	34.95	46.76	95.32
39	25.69	35.82	47.10	102.81
40	26.67	36.74	47.48	111.35
41	27.69	37.67	47.88	120.61
42	28.75	38.63	48.31	131.92
43	29.89	39.64	48.79	143.60
44	31.08	40.70	49.32	159.15
45	32.35	41.82	49.91	176.79
46	33.67	42.95	50.52	...
47	35.06	44.14	51.19	...
48	36.52	45.38	51.92	...
49	38.08	46.69	52.73	...

Age	Ord. Life	20 Pay	Yr. End.	Ret. Inc. (men)
50	39.72	48.06	53.61	...
51	41.46	49.51	54.57	...
52	43.29	51.04	55.63	...
53	45.24	52.65	56.78	...
54	47.30	54.35	58.03	...
55	49.49	56.16	59.40	...
56	51.80	58.08	60.90	...
57	54.25	60.12	62.53	...
58	56.86	62.29	64.32	...
59	59.62	64.61	66.26	...
60	62.55	67.09	68.39	...
61	65.67	69.75	70.71	...
62	68.98	72.59	73.23	...
63	72.51	75.66	75.99	...
64	76.27	78.95	79.00	...
65	80.27	82.50	82.64	...

Pan-American Raises Rates, Brings Out New Forms

A general increase in premium rates on all contracts was made by Pan-American Life and surrender charge re-adjusted, producing slightly lower cash values in many instances. Several new contracts were introduced and some old forms discontinued.

A new "double protection to 65," form provides \$2,000 protection to 65 and \$1,000 thereafter. The income protection policies maturing at ages 60 and 65 provide level insurance to those ages at which time a monthly life income of \$5 per \$1,000 starts guaranteed for 120 months. A "home protection" term rider provides family income benefits. The 20 payment life contract has been changed to a 20 payment endowment at 85. The income disability clause is eliminated, leaving waiver of premium the only disability feature available.

New rates per \$1,000 for some forms are:

Age	20 P. Doub. Life	20 P. Bond	20 P. Inc. Year
15	\$13.14	\$21.00	\$22.03
20	14.61	22.75	23.97
25	16.51	24.98	26.38
30	18.96	27.63	29.43
35	22.14	30.85	33.30
40	26.41	34.90	38.28
45	32.20	40.00	44.72
50	40.01	46.72	52.99
55	50.51	55.58	63.33
60	64.50	67.48	...

Guardian Withdraws Single Premium Endowment Forms

Guardian Life is the third company to announce the discontinuance of single premium endowments within the last few weeks. Effective Sept. 1, the entire line of single premium endowments was taken off of the market. It is expected that many more names will be added to the list of companies taking this action because of the continuing difficulty of investing large sums of money in the type of securities that will provide adequate safety, sufficient return, and the degree of liquidity that is demanded by the privilege of surrender of single premium contracts. The general use of single premium endowments in recent years has been little more than a short term banking operation, with the original purpose of such a contract almost entirely forgotten.

Penn Mutual Cuts Age Limit on Children to 5

Penn Mutual will now write insurance on the lives of children down to age 5. Policies issued between ages 5 to 16 inclusive are classified as junior insurance. Ages 5 to 9 may be written on the plans set out below. Ages 10 to 16 may be written on all plans issued by the company except term.

Insurance on the life of the payor is

granted to age 50 providing for waiver of premium in event of death of payor prior to the child's 25th birthday. Disability benefit is not available before age 15.

Age	Age 5	Age 6	Age 7	Age 8	Age 9
Ord.	14.50	14.51	14.58	14.65	14.78
20 pay life.	24.01	24.03	24.06	24.11	24.18
20 year End.	47.14	47.15	47.16	47.17	47.18
Ret. Inc. 55, male	25.36	25.76	26.30	26.97	27.73
Ret. Inc. 55, female	26.99	27.47	28.09	28.84	29.69
Ret. Inc. 60, male	21.22	21.42	21.76	22.21	22.73
Ret. Inc. 60, female	22.49	22.76	23.15	23.66	24.25
Ret. Inc. 65, male	18.34	18.42	18.61	18.91	19.28
Ret. Inc. 65, female	19.25	19.36	19.60	19.94	20.36

To Introduce New "Career Plan"

A "career plan" policy will be introduced soon by the Oregon Mutual Life, combining the features of several types of coverages, according to W. C. Schuppel, executive vice-president. Under the plan a young man with limited incomes can secure substantial protection and as his income grows larger, his insurance will expand with it.

Lincoln National Increase

The Lincoln National has announced increased rates for its single premium

life annuity, single premium immediate annuity with guaranteed return of premium, single premium joint and last survivor annuity, annual premium survivorship annuity. The rate increases bring these policies into line with the annuities of a number of other companies which have recently changed their rates.

The rate change was made necessary by the lack of improvement in interest rates on investments and lack of any indication that there will be any improvement reasonably soon. The new rates become effective Sept. 16.

Mortgage Redemption Plan

Seaboard Life has prepared an efficient mortgage redemption plan under which the amount of insurance needed is calculated from the amount of monthly payments demanded by the mortgage. This contract is composed of a basic life policy such as ordinary life, to which is added a sufficient amount of term to meet all future payments on the mortgage in event of the insured's death. This term is annual renewable term so that the insurance and unpaid balance of the mortgage are practically equal at all times.

Every agent should read Carroll C. Day's "Little Red Wagons and Little Red Boots." Send \$1 for eight copies to National Underwriter.

Continental American's

MODERN SALES ADVANTAGES

No. 1—CHANGE-OF-PLAN . . .

what is it?

"Change-of-Plan" is a special Continental American feature that allows the Endowment or Limited Pay policyholder to reduce his premium to less than the Ordinary Life premium of his original issue age. This can be done without medical examination and without giving up the cash value.

Change-of-Plan is one of Continental American's "points of extra protection" which provides complete flexibility, and the Company supplies field men with a booklet explaining the feature in simple question-and-answer language.

Continental American Life Insurance Company

WILMINGTON, DELAWARE

W. M. ROTHARMEL, Vice President

OPPORTUNITIES are now open in West Virginia, Virginia, Massachusetts, Connecticut, New York, New Jersey, Pennsylvania, and Ohio

Fidelity Mutual's Leaders' Rally

(CONTINUED FROM PAGE 2)

delity has perhaps an unusual share, including talent in music, magic, bridge, shooting, boxing, community activities and general sports activities.

From the speeches:

Said President Walter LeMar Talbott: "For the first six months of 1940 new business shows a gain of 10.9 percent for a total of \$367,670,000 in force. Mortality is at 49.9 percent and assets total \$131,390,000.

How Yield Has Been Cut

"Some idea of the investment situation may be gained from the fact that on a million and a half of bonds recently matured or called, we were earning 4.35 percent, while on 5½ millions of bonds recently purchased we will get 2.23 percent.

"From the sales angle the astonishing thing to me is that so many will go along satisfied with premiums of \$1,500 or \$2,000 a year when, with our lead system and the known sales methods, they could so easily increase their production by 50 percent or 100 percent. We are certainly appreciative of and grateful to a fine field force, but after more than 50 years with this company I still marvel that more of our people do not belong to the Leaders' Club, and that more of our Leaders are not Class A."

Permanent chairman was Frank H. Sykes, vice-president and manager of agencies, who is known for four things: A neat sense of humor, unswerving devotion to the given word whether private or company, great ability as a presiding officer with a meticulous choice of words, and unusual ability as a letter-writer. Everyone knows him affectionately as "the chief."

In a "Prospecting Panel" conducted by Calvin L. Pontius, assistant manager of agencies, the keynote was struck by George Hatzes of Washington, who said: "If you can't prospect—or won't prospect—or don't prospect—your days in life insurance are numbered." Hatzes ought to know because he went to Washington a stranger and did better than a quarter of a million his first year. Similarly, H. T. Dillon of Atlanta, specializing in business insurance, said: "Get the preliminary information and then use centers of influence." And D. A. Nash of Chicago corroborated by saying: "When my list is low—so am I." Said E. C. Weber of Cleveland: "We use a sales process which eliminates the prospect who will not follow along. We have organized our technique of operation so that it either sells or eliminates."

Sensible Programming

In a talk on "Sensible Programming" W. S. Hale, general agent in Atlanta, suggested four points:

1. Get all of the information—and I mean ALL—about the things he wants to do.
2. Put first things first. Solve the immediate problems before putting on frills.
3. Discuss life and how he and his family are going to live it—don't discuss policies.
4. Use simple proposals and use simple settlement option agreements.

Continuing the discussion on programming, H. S. Redeker of the legal department said:

"Don't ask us to hold money until unborn grandchildren reach age 25. It is illegal.

"Don't hold the money at interest indefinitely without right to withdraw. The unborn children may not be born. The child may not go to college.

"Don't name all the relatives as contingent beneficiaries. We can avoid a lot of rewrite expense at the home office if you will give us proper names, proper ages and proper, simple agreements."

The convention was intrigued by the story of W. O. Cord of Dayton, who

told of his experience some years ago in selling a \$6,000 policy to Sales Manager Barringer of the National Cash Register Company—a sale which eventually resulted in \$6,000,000 of business on the lives of Mr. Barringer and Mr. Patterson. Said Mr. Patterson one time: "Better get me another million or two." Typical comment after the speech by savings-minded E. H. Schaeffer of Harrisburg: "Wonder what he did with the commissions?"

Dramatics:

Most conventions nowadays include one or more plays wherein are dramatized some part of the life insurance business. Miss Elsie Ullrich, secretary to Mr. Sykes, took from company records a number of incidents of life insurance in action and wove them into a play "Long White Envelopes." R. B. Mink of Philadelphia portrayed Tom, the Letter Carrier, as he told of bringing insurance checks in long white envelopes to needy widows and children over 30 years of service. "I always worry, when a father on my route dies," said Tom, "until the long white envelopes start to come."

Sales material:

Few companies would consider a convention a success unless they had some new material to hand out to those in attendance: new policies, new folders, new sales proposals, new charts, new something. New items at the Fidelity convention were: "A Fidelity Income Service" by S. S. Dunning, supervisor of agencies, and the "Insuragraph" by C. P. Mayfield, manager of publicity.

The "Income Service" contains a proposal form, a rate card showing premiums, values and benefits at all ages so that the proposal form may be quickly and accurately completed, and a number of suggested approaches and sales ideas. It is interesting to note that there is more and more mechanization of selling. In the old days salesmen sold if, as and when they pleased. Today most companies have so far as possible mechanized the process not only to save the time of the salesman but to give him the benefit of a sales track which has been found productive.

The closing address was by A. R. Jaqua, associate editor of the Diamond Life Bulletins, who spoke on "What Are We Worrying About."

Talbot Urges Better Understanding

(CONTINUED FROM PAGE 2)

disturbed it no less effectively than the greater alarm which disturbs it today. But a person continues to live and love and work and die as mankind always has. His family needs food and clothes, shelter and protection just as it always has and must. The basic problems of life which are the basic needs for insurance protection go on unchanged.

If the agent pins his prospect down to a statement of the protection needs of his family today, this minute, not a month or a year hence, he will avoid the shadows which cloud the prospect's judgment. Life insurance deals with the future, but it is the need of the present which governs its purchase, Mr. Talbot said. One of the joys of life insurance ownership is the flexibility which it offers to meet the changing conditions of the future.

Over 200 Leaders in Attendance

Over 200 members of the Leaders' Club with their guests were in attendance when the session opened. The theme was the "Preparedness Through Life Insurance."

The formal opening of the program was made by F. H. Sykes, vice-president and manager of agencies. Speaking upon the appropriateness of the convention theme Mr. Sykes said before any nation can put its house in order, the in-

dividuals who comprise it must first put in order their own houses. Life insurance is a factor in any well-ordered house, and preparedness through life insurance, is one link in the chain of national preparedness which all of us contribute.

J. E. Fitzgerald, new president of the club, took the next place on the program with a cryptic topic, "The Unknown." Mr. Fitzgerald, who has occupied the presidential chair in six years out of eight and consequently appeared on the program at many Fidelity conventions, made an unusual compilation of



WALTER LE MAR TALBOT

the high spots in each of his talks of recent years, thus concentrating in one talk the very essence of good underwriting.

His success, he stated, was largely a result of a study of successful men. These men, he said, had always certain characteristics. They are courageous, have self-confidence and unlimited energy, and in addition one indispensable characteristic, intangible in its nature but best defined by Mr. Fitzgerald as "fire inside."

"Why Be Satisfied?" was the title of one of the talks of previous years from which he extracted the thought-provoking conclusion that an "average" man was "the best of the worst and the worst of the best" and made the point that a man, willing to pay the price, can rise above average and should never be satisfied in not doing so.

"Straight Thinking and Hard Knocking," the title of one of his speeches, offered the good counsel that a man cannot think discouragement, failure and fear, and expect to reap success, optimism and courage. Problems may be blessings in disguise, toughening mental and moral fibre for that strong character and determination which brings success.

Prospecting 95 Percent of Battle

"Prospecting," said Mr. Fitzgerald, "is 95 percent of life underwriting and the man who cannot or will not or doesn't prospect is on his way out of the business." He then told of his painstaking methods of acquiring as complete information as possible on his prospects and how, in some instances, years in developing background information and prestige were expended before a successful approach to a prospect had been undertaken.

M. E. Watson, Boston, awarded the prizes to the app-a-week winners of 1940 topped by J. M. Dunn, Wheeling, W. Va., with 448 consecutive weeks of production. Special awards were made by E. H. Schaeffer, Harrisburg, to leaders showing 40 percent increase in cash premiums over qualification figures of the previous year. This was in the nature of a contest featuring the 40th anniversary of the Fidelity leaders.

The Library Award to the agency showing the highest percentage of increase in convention qualifications was

Suggestion for New Business Through War Relief Source

NEW YORK—An opportunity to develop a new field of business is open to life agents in the sale of annuities to persons who wish to contribute substantial sums to war relief without giving up needed income, according to C. V. Vickrey, president Golden Rule Foundation. Under the Golden Rule plan a wealthy person wishing to contribute to war relief takes \$1,000 that he has invested in low-yield securities and has the foundation buy him an annuity returning the same income that he had been getting.

The difference between the annuity consideration and the \$1,000 is expended by the foundation in war relief work or in any other charitable channel the donor may direct. The entire amount thus available may be turned over to any agency the donor may select, such as the Y. M. C. A., for example, Mr. Vickrey said.

Tax Exempt Feature

An attractive feature for the donor is that the difference between the total amount and the annuity consideration is deductible from net income, provided the total of charitable deductions doesn't exceed 15 percent of net income. Also there is the usual tax exempt status of annuity income, the excess above a 3 percent return on the principal being exempt until the exempt portions equal the consideration.

Mr. Vickrey pointed out that annuities of this type need not be on the donor's life but are frequently bought as Christmas presents for relatives, friends, servants, or others whom the donor planned to remember in his will and for whom a gift of income might be more sensible than a lump sum legacy.

Conn. General Managers at Three Day Conference

Connecticut General group managers and special group representatives from all parts of the United States had a three day conference in Rye, N. Y. The business session opened Monday morning with an address by C. Manton Eddy, secretary of the group department. Other speakers included Steven D. Williams on "Coordination"; Elbridge P. Hamilton, "Service"; Ralph V. Farrell, "Contributory Sales"; Gordon B. Randall, "Underwriting," and Paul E. Britt, "Claims."

The Tuesday morning meeting covered the subject of "Group Annuities," with Morgan Alvord, assistant actuary, as the principal speaker, assisted by Richard H. Morse, George O. Johnson and Clyde W. Fuller. Afternoon speakers included William H. Warner, "New Territory"; Arthur E. Nissen, "Time Control," and Ralph H. Morrow "Package Plans." John F. Crofoot of the home office agency department talked on the salary allotment plan and F. H. Haviland, vice-president in charge of agencies, on "The Relationship of the Group Man to the Agency Department."

President F. B. Wilde made the opening address Wednesday. Sales demonstrations were given by Stanley Watkins, William Pearson, Walter Mather, Leon Case, Russell Hatheway and Iver Hall. Mr. Eddy spoke on "Competition" and Blake B. Harrison, manager of group sales, closed the meeting with a talk on "Duties and Opportunities."

made to C. H. Jones of Columbia, S. C., whose agency also won this award in 1939. Mr. Jones celebrates his own 40th anniversary with Fidelity on October 2, 1940. The President's Trophy was awarded by C. K. Gordy, New Haven, to H. N. Lyon, San Francisco, who with an exposure of nearly \$500,000, had a lapse ratio for the club year of but 1.2 percent.

Counsel Federation in Annual Meeting

(CONTINUED FROM PAGE 2)

to partake of the duties and responsibilities of citizenship."

He emphasized that the Federation provides a most practical way by which members may form lasting friendships and cooperate in creating and maintaining a higher standard of efficiency in rendering legal service to their clients.

Mr. Fitzhugh stated that the membership of the Federation at this time is 357 and he strongly urged that the number be increased to 500 as rapidly as possible. He paid tribute to the untiring efforts of Secretary John A. Millener in his splendid work and he commented on the spirit of cooperation apparent throughout the organization.

In view of the fact that many of the Canadian members have been called to the service and the very real possibility that the younger American members will shortly be called to the colors, a resolution was passed providing for the suspension of dues for all members serving with armed forces, either actively or in training, of the United States and Canada while the emergency lasts.

C. B. Robison of Ekern & Meyers, Chicago, read the paper, "The Progress of Accident & Health Insurance" prepared by R. H. Matthias of the firm, who was unable to be present.

Irvin Waldman, New York City, introduced R. F. Wagner, Jr., member of the New York legislature, who discussed "The Outlook for Reform in the Medical Field."

"Malpractice Suits and Their Defense" was the topic of R. D. Bartlett, Bartlett, Poe & Claggett, Baltimore, general counsel U. S. Fidelity & Guaranty.

Uniform Liquidation Laws

The report of the committee on uniform reciprocal liquidation laws was given by Chairman Waldman. Since last year additional states that have placed this law on their statute books are Texas, Tennessee, Rhode Island, Ohio, Massachusetts and Indiana. The chairman reported that the uniform statute will be presented for the first time in the course of the coming year to the legislatures of Colorado, Delaware, Maryland, South Carolina, Utah and New Hampshire, and that it will be presented again to Alabama, Minnesota and Nebraska, where it failed to pass last year.

Friday morning L. W. Dawson, vice-president and general counsel, Mutual Life of New York, read a paper on "The Relation of Home Office Counsel to Life Insurance Litigation." Considerable discussion followed this talk during which Secretary Millener stated that the lawyer in the field would receive splendid training if he could spend some time in the home office of his company to learn the various channels through which files are developed.

Sol Weiss, Sr., New Orleans, discussed "New Rules of Federal Procedure." In the two years since these rules were enacted the differences in interpretation of these acts have been neither numerous nor radical, he said, and the divergences in opinion have not applied to the more important of them. The courts have very generally upheld the purposes and intent of the new rules. He referred to a few outstanding cases to illustrate his point.

At the opening session of the Federation of Insurance Counsel's annual convention Harry Cassman, president Atlantic County Bar Association, gave a brief address of welcome and presented Mr. Fitzhugh a key to the city.

Winners of the golf tournament were: First, G. A. Farabaugh, South Bend, Ind.; second, Irvin Waldman, New York City; third, R. L. Hogg, New York City. The consolation prize was won by H. J. Griston, New York City.

Sympathy was extended to Scott Fitzhugh, who was called home Friday evening because of illness in his family.

Mr. and Mrs. G. A. Farabaugh, South Bend, received a long distance telephone

call after midnight Friday night that their youngest son was in a critical condition, suffering from a ruptured appendix. Unable to get a train out of Atlantic City before morning, they were driven to Philadelphia by Mr. and Mrs. Nathan Phillips, Toronto, who returned to the hotel at 7 o'clock Saturday morning, having driven all night.

Warns Bar Assn. on Reversion Rule

(CONTINUED FROM PAGE 3)

dent V. J. Skutt, United Benefit Life, chairman of the health and accident insurance law committee, pointed out that the interest of a lawyer in insurance both as interpreter and owner is very wholesome and beneficial for the institution of insurance. Lawyers, he said, are the foremost law-makers of the nation and their sensible and well considered advice regarding legislation affecting insurance is most helpful to insurance administrators, while their assistance in safeguarding the state supervising system and prevailing principles under which insurance originated, developed and rendered such outstanding service to the fulfillment of the purposes of insurance.

L. J. W. Cronin, general counsel Liberty Mutual, Boston, section chairman, presided at the general session. Commissioner Taggart of Pennsylvania, who was to have given the welcoming address, could not attend. His substitute was Assistant Attorney-general Brown.

F. A. Carroll, vice-president National Shawmut Bank, Boston, gave a banker's view of insurance.

FEDERAL PROCEDURE

The report of the special committee on practice and procedure, submitted by Eugene Quay, chairman, summarized a number of rules of civil procedure for federal district courts effective since Sept. 16, 1938. Mr. Quay explained that while the topics considered are not in any sense peculiar to insurance practice and in fact there could hardly be said to be an insurance practice or procedure, the rules covered are the ones generally of greater interest to insurance people.

The reason for studying the operation of the rules and civil procedure for the federal court was that not only is the federal court the favored forum for so many insurance practitioners but also because difficulties and questions in state practice have been so largely digested in the drafting of the federal court rules even if not entirely solved by their final terms.

"The courts have shown a notable disposition to make their application of the rules a consistent development of the great work of the supreme court's committee and to strive for uniformity in their interpretation," he said. "Nevertheless, real conflicts have developed on occasional points and some questions of possible difficulties not yet directly considered by any court have been suggested by study of some rules and the decisions."

NLRB Stand May Bring About Court Action

(CONTINUED FROM PAGE 3)

their business matters, the company is engaged in interstate activities to an extent which brings it under the law.

POSSIBLE DEVELOPMENTS

Whether there will eventuate from this situation at Hoboken and East St. Louis a significant case, in which the question of whether insurance is interstate commerce will be pondered anew, remains to be seen.

The construction of the national labor relations act is such that it is generally agreed that John Hancock Mutual Life

can initiate no action of any kind. If there is to be litigation, it would have to be started by the NLRB charging that John Hancock Mutual had been guilty of an unfair labor practices act. The order of the NLRB to its units in East St. Louis and Hoboken to conduct an election among the industrial agents of John Hancock Mutual was not an order directed against the company and thus John Hancock must stand aside. Under the terms of the order the election is to be held within a period of 30 days. There is no conflict in the election between the American Federation of Labor and the CIO union. Each has stepped aside in favor of the other so that in East St. Louis the agents in the election will not be faced with a choice of unions but with a choice of whether the American Federation of Labor union shall be the exclusive bargaining agent of the industrial agents or whether there shall be no union, and in Hoboken, the question is whether the CIO union shall be the exclusive bargaining agent or whether there shall be no union.

Assuming that these elections are held and that the agents at one or the other or at both places vote in favor of having a labor union as their exclusive bargaining agent, then the next step would be for the unions to notify John Hancock Mutual that they had been duly

elected as bargaining agents. At that point and probably not until that point, would John Hancock be compelled to take any sort of position. John Hancock might agree to deal with one or both of the unions, in which case there might be an end to the matter. Or John Hancock might refuse to deal with the union. In that event it is conceivable that the NLRB would bring an action against John Hancock charging the company with having been guilty of an unfair labor practice, and that might serve to get the issue of whether insurance is interstate commerce and hence subject to federal rather than state supervision directly before the courts.

Home Life Philadelphia Luncheon

Home Life of New York will give a luncheon in Philadelphia Sept. 26, for its field and home office representatives who are attending the convention of the National Association of Life Underwriters. The guests of honor will be seven members of Home Life who are being brought to the convention by their company in recognition of outstanding accomplishments during recent months.

Dezso Garay, Ohio State Life, Cleveland, has completed 600 weeks of consecutive weekly production.



Sell More Family Insurance

By offering factories, plants and business organizations in your territory the new Minnesota Mutual Payroll-Deduction-Family-Policy-Plan. Involves no cash outlay, practically no expense on the part of the employer. Employee chooses any other kind of insurance he wishes, for himself and his family, enjoys a substantial rate saving, lets small payroll deductions automatically take care of monthly payments.

We offer our Field Force these additional advantages:

1. A liberal agency contract.
2. A plan for financing your agency.
3. Accounting methods to guide you.
4. Proven plans for finding—training agents.
5. A liberal financing plan for agents.
6. A unique supervisory system.
7. Organized Selling Plan.
8. Unusually effective selling equipment.
9. Policies for every purpose: Regular—Family—Juvenile—Women—Group—Payroll Savings, etc.
10. Low monthly premiums.

A \$235,000,000.00 Mutual Company, 60 years old with an understanding, cooperative Home Office.

THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY

Saint Paul, Minnesota

W. E. Fritz Elected to Head Institute

(CONTINUED FROM PAGE 1)

At the afternoon session, E. W. Beresford, Old Line Life of America, was chairman.

J. E. VAN ARSDELL

J. E. Van Arsdell, underwriting supervisor Southwestern Life, described possible occupational hazards in the newly developed southern pine newsprint industry. Only one mill making newsprint out of southern pine is now in operation but more are sure to be erected throughout the southern states from Texas to Florida, he said.

As far as the occupational hazard is concerned, Mr. Van Arsdell said that it appears that life insurance can be issued at standard rates with premium waiver and accidental death benefits except possibly for a group of employees that might be classified as common laborers and these should probably pay double for the accidental death benefit.

W. H. HARRISON

W. H. Harrison, actuary Ohio National Life, discussed the ways in which studies and surveys can be made to check underwriting results. He listed the following:

1. Annual mortality studies, checking mortality for certain groups of business against some acceptable standard, such as the American Men select and ultimate table. For standard business the Ohio National works out ratios of actual to expected by both number and amount in groups of five ages for each duration up to five years and in the ultimate portion it uses the ratios for each age. In the substandard group the company uses ratios both by numbers and amounts for each rating classification for each of the first five years and for the ultimate period.

Non-medical business is studied for the same groups as the whole standard group. These annual studies, Mr. Harrison said, have sometimes turned up unusual results in particular durations and age groups which have led to modification of underwriting practices. He pointed out that it must be recognized that the grouping of the business for such a mortality study will depend on the size of the company and also that care must be taken in interpreting results, as to a large extent such studies may be a survey of the general quality of business submitted by the field force as much as a survey of the results of home office selection.

Checks Business by States

The company also checks the ratio of actual to expected mortality by agencies and by states. This is not done with the accuracy of the study by ages and durations but has on occasion proven to be helpful, he said. Death claims are analyzed according to cause of death, early death claims being separated from those occurring later.

2. Ohio National keeps a very accurate record of the declination ratio of all agencies both by number and amount. This is made up quarterly and annual totals are also calculated. The comparison of the results of these declination ratios sometimes has led to a survey of all the business submitted by a particular agency over a period of time and this can and does influence underwriting practices.

Flag for Later Checking

3. The company's practice is to have all early death claims reviewed by the underwriting department. While inspection of early death claims can sometimes cause a lack of balance on the part of an underwriter in handling new business, the company believes that something helpful is to be learned about underwriting practices by having the under-

writing department review all early death claims.

4. "We occasionally flag cases to be brought out for inspection a year after we have taken the case. We also mark a certain number of cases when we accept them initially so that if they lapse reinstatement is not to be made unless either an inspection or examination or both is secured even though the usual practice would permit reinstatement without that procedure. It is also possible to use a selective health conservation service as a means of checking up at a later date on certain classes of cases, although we do not do so in our company."

5. "Probably the most frequently used check on underwriting in any company is comparison with underwriting practices of other companies and comparison of underwriting practices and mortality results which are published by groups of companies or individual companies."

Mr. Harrison remarked that attendance at meetings of the Institute of Home Office Underwriters and exchange of ideas with others is one form of study or survey which might and can be of material assistance in checking underwriting.

H. F. Longino, southern division manager Retail Credit Company, spoke on "Law Enforcement Officers in the Southern States"; G. M. Stanley, Guarantee Mutual Life, on "The Practice and Procedure in Underwriting for Probably Persistency."

R. K. DUNN

Agents and managers whose confidence has been obtained and who will talk frankly are becoming a more and more important factor in underwriting, said R. K. Dunn, chief underwriter Colorado Life. He told of his company's efforts to enlist the field's cooperation and said that he believed that in another year the company will not only increase the field organization's morale by this cooperation but that "we will have most definitely tapped a source of valuable information that in many cases is all too often withheld from the home office." He said that in most cases where information is withheld, "we are beginning to be convinced that it is because of the home office people, particularly the underwriting department."

Sell New Agent and Manager

"We have a peculiar technique," he said. "Our officials believe that a good selling job must be done with the new agent and manager. I have just recently completed a three weeks' trip with the president of our company and in every case where the man had been with the company a year or less the president patiently sold each department to the new manager or agent, particularly the underwriting department, and then he dropped the whole thing in my lap and I had to sell myself and my department. Of course, this does not work 100 percent and we are not deluded with the idea that it ever will be perfect but we are leading in the direction of cooperative underwriting. We are making progress and we are convinced that good underwriting starts with the selection of the man in the field and with early basic training."

Discusses Drinking Habits

Discussing applicants' drinking habits, Mr. Dunn set forth the following general principles:

"Classify your applicant according to the group he belongs in before attempting to rate: the social drinker, moderate drinker, steady and solitary or "spree" drinker. Applicants past 30 are supposed to be more settled in their habits. In some occupations drinking is more prevalent, especially where there is con-

siderable leisure time. Reformed drinkers are more likely to revert to excessive drinking.

Build and weight should be watched because drinkers are apt to develop large abdomens and excessive weight. Any history of stomach disorder and indigestion should be carefully investigated. Reformed drinkers as a general rule do so because of some health impairment.

"Exhilaration" Needn't Be Rated

The business or professional man who drinks to the point of exhilaration at times but keeps possession of his faculties should not be rated on account of habits.

The man who drinks at his club, that is, the man of means, is less likely to be reported unfavorably than the man of moderate means because the latter drinks more publicly and his friends are more likely to discuss his drinking.

The moderate drinker, the one who gets to feeling good three or four times a year on a holiday or a special occasion, should be considered standard. About the only type that should be rated quite high is the steady drinker, the man who gets drunk once a week or once a month.

The solitary or spree drinker is hard to rate because in a great many cases he goes to a town where he is not known to get drunk. He may stay drunk for days or weeks at a time and then be a total abstainer for months before going on another spree. This type if accepted should be rated high.

What to Look Out for

Some of the things to look for in underwriting for habits are the following: Is his home life congenial? If married, are there any children? Is the social group in which the applicant moves of the conservative type? Has the applicant a responsible physician? How long employed? Is the applicant making progress? What are the habits of the

President of Home Office Underwriters Institute



WALTER K. FRITZ, JR.

Walter K. Fritz, Jr., newly elected president of the Institute of Home Office Underwriters, is manager of the underwriting department of the Lamar Life. He has been an associate member of the Insurance Institute of America since 1932. He is a charter member of the Institute of Home Office Underwriters and has been a member of its executive committee since its organization. Mr. Fritz, a native of St. Louis, began his life insurance work as a policy clerk in that city. He later joined the underwriting department of the General American Life. He went with the Lamar Life in 1934 to take charge of the underwriting department.

parents? Do the father or members of the immediate family indulge freely? Sometimes the children will either follow the same custom or else become disgusted and remain teetotalers. How about the morals and the question of finances? What is the occupation and environment?

M. M. Blair, assistant secretary Atlantic Life, was toastmaster at the banquet attended by some 200 members, their wives and members of the host companies.

At the final session the ordinary case clinic was continued with Chris Hamlet, assistant secretary Home Security Life, conducting the industrial seminar.

INDUSTRIAL PROBLEMS

Thoughtful industrial underwriting reduces litigation, keeps down adverse publicity and helps to weed out agents who are unfit, said Sydney F. Keeble, associate general counsel Life & Casualty, speaking on "Legal Aspects and Problems of Industrial Underwriting." Such underwriting is a big factor in enabling policy benefits to be broadened. It drives out the sharpshooters on both sides. He feels that the development of this department can and should do much to eradicate all possible criticism of industrial insurance.

Mr. Keeble said that upon becoming associated with the legal department of an insurance company, he soon realized that the great volume of litigation involved the industrial policies. It was thereby natural for him to develop a keen interest in this line. This, he said, was intended as no disparagement of ordinary underwriters. It must be remembered that they have the advantage of longer experience, more books and tables and usually a medical director to bear part of the shock when a perfectly healthy specimen succumbs to heart trouble before getting his first birthday greeting card.

Mr. Keeble called the industrial underwriter a pioneer in what formerly might have been called "catch as catch can" underwriting. Their predecessors, not so many years ago, were clerks or stenographers who accepted all unless the applicant wrote on the application, "I am just about dead." The old idea seemed to be that the industrial mortality tables took care of everything and selection was unnecessary. Agents in trying to double their writing to celebrate the manager's birthday pushed too hard for business and wrote any person that came along.

Conditions Very Much Changed

Things have changed now, Mr. Keeble continued. For the underwriter to mind his individual development and the development of his department has become increasingly important to insurance lawyers and to the companies. Investment income is steadily diminishing and proper underwriting has and must take up some of the slack. It decreases the number of contestable claims, resulting in less litigation.

Lapses are bad for the company and for the business as a whole, Mr. Keeble said. A good rejection is highly preferable to a sound defense. Law suits cost money, cause lapsed business, cause loss of time, are expensive and the majority are lost by the companies. The agent suffers particularly. He loses business and money and spends much valuable time trying to explain the company's position to friends and neighbors of the insured.

Most Agents Follow Lead

"From this," Mr. Keeble said, "it would seem logical that you can be of tremendous help in formulating and carrying through an educational program—a program designed to show the industrial agent that after all he has the chief stake in proper underwriting. You need his help to offset the lack of medicals and inspections. He needs yours to prevent the rejection of bad claims from tearing up his debit."

Mr. Keeble said that he felt that

there are very few agents who wouldn't follow this lead. Anyway, rigorous checks on agents' applications and early finals will take care of these individuals. If the agent's bad selection is deliberate and chronic, it overtakes him. Field officers and underwriters are constantly nearing an understanding of such problems.

Therefore, Mr. Keeble concluded, hold to a minimum those policies which will likely result in rejection and suits that must be defended. Such claims must be rejected or there will be criticism by the insurance departments. Law suits cannot be cut down by the payment of bad claims, as such payments will result in increasing laxness on the part of the agent, and the company will be compelled to call a halt.

W. E. Stovall, manager industrial department Gulf Life, spoke on "Methods of Rating Industrial Risks," followed by a round table discussion of these and other industrial underwriting problems.

Strong Appeal for State Supervision

(CONTINUED FROM PAGE 1)

responsive to public needs and it must correct weaknesses which from time to time arise.

The great objective in the United States is to preserve the individual rights and privileges and the opportunity of free enterprise upon which the country is founded, he declared. "There are things more important than efficiency. The perpetuation of self government and human rights are far more important. To insure these inalienable rights to those who come after us, we must retain in the states, the cities, the counties, the towns and the villages all powers not necessary for the maintenance of national prestige. The closest possible contact between people and local government is more essential than ever."

Mr. Pink said that there are certain ways in which federal and state government may join hands to promote improvement in the field of insurance and that such cooperation should not be shunned merely because it might open the door to the further extension of federal activities. For instance, he declared there is real possibility of helpful cooperation in prohibiting the use of the mails to those "fly-by-night" companies which offer much, give little and are not under the effective control of the insurance department of any state. Undue restriction of solicitation by mail would cause great loss to strong and useful companies, he said, but carefully guarded legislation seeking only to bar the predatory companies would be helpful to the public.

Interstate Liquidation

Federal and state authorities, he said, should join hands to avoid waste and delay in the liquidation of interstate insurers. The National Association of Insurance Commissioners, he recalled, with the assistance of the bar association, drafted a uniform law to place the control in the hands of the domiciliary state. However, this statute has been accepted in only three or four states and there is little prospect that it will be generally adopted.

In the absence of a uniform statute, he declared, the federal bankruptcy law should be broadened so as to permit the supervising authority in each state to liquidate interstate insurers in the federal courts. However, the opening of the federal bankruptcy courts for insurance company liquidation should be confined to the insurance commissioners. Otherwise the door will be opened to various rackets.

Should federal supervision come about, Mr. Pink said, there would also have to be some form of state supervision. The federal government could not supervise insurance in all of the states with due regard to varying local needs. There would have to be a system of local branches subservient to the central

office. He cited the fact that in Canada provincial and dominion supervision have existed side by side for 70 years. There has been some overlapping and from time to time there has been friction.

The dominion superintendent largely confines his work to the examination for solvency of companies that do business in more than one province and the licensing of these inter-provincial companies.

If there is to be but one authority and the supervision of either the dominion or the provinces is to be eliminated, the provinces can, if necessary, assume the duties exercised by the dominion, but it would be very difficult for the dominion satisfactorily to perform the duties of the provincial superintendent.

If there is to be federal supervision in the United States, he said, it should be confined to the examination and certification of the solvency of interstate insurers and the federal certificate should be accepted by all states. However, a federal bureau would not long be satisfied with such restricted powers. Sooner or later it would want to encroach upon the authority of the states. There would be an urge to experiment with forms of federal insurance that would compete directly with private insurance.

Senator O'Mahoney of Wyoming, chairman of the TNEC, who some expected might have favored some form of federal regulation, began his address at the symposium by coming out flatly with the statement that neither the TNEC nor SEC has even recommended, nor will, any legislation providing for federal regulation.

"In order that there may be no misunderstanding of my own position," he declared, "I want to say that I would not give my support to any legislative proposal which would have the effect of weakening the power of the states in the field of insurance law."

"Ours was not another Armstrong committee such as was led by Chief Justice Hughes to ferret out wrongdoing by insurance executives or to pillory the insurance industry, individually or collectively," the speaker asserted. "It was solely a study to determine the facts with respect to the effect upon our economic system of the concentration of assets which now are controlled in this business."

A bitter attack against any federal regulation or control of life insurance was voiced by J. Reuben Clark, Jr., Salt Lake City, who spoke from the viewpoint of the policyholder. He contended federal control would mean a great threat to "our whole governmental, social and economic system. It could be the beginning of dictatorship and despotism." He upheld state regulation and pointed with pride to the honesty and splendid manner in which life companies are being run. Government control, he held, would destroy the safety of insurance and turn the entire nation into government dependents.

Claim Men Gather in Colorado Springs

(CONTINUED FROM PAGE 3)

register, and every bit of written propaganda required to disclose its source.

National defense was discussed by Major General Brees. He said the purpose of the selective service call had been greatly misrepresented; its real purpose is for mobilization for training to prevent war. If the U. S. is strongly enough prepared, he said, no attack will be made upon us. Congress alone can declare war, so it is the people who have this power. It takes time to prepare, he said, and Germany has been arming for seven years. The present engagement is not a world war, but a world revolution. "If we love our country and its government, we must be prepared to fight for it," he concluded.

President Reidy appointed the nominating committee, with W. A. Dennis as chairman.

On Tuesday morning F. Leroy Tem-

pleman, Maryland Casualty, reported as treasurer, showing a satisfactory balance.

Henry Eager, Kansas City, spoke on "Various Aspects of Missouri Law as It Pertains to Our Business." He stated that under the decision of the Kansas City court of appeals where the insured drank water which contained typhoid germs, the taking of the germs was accidental and external and such taking produced violence and that the cracked lips which subsequently developed in the course of the disease were bodily injuries. The effect of this decision would be to make an accident policy of a health policy. However, on certiorari the supreme court held the disease exclusion clause of the policy valid, but did not hold that typhoid cannot ever be death from external, violent and accidental means.

Under the Missouri suicide statute it has been held that suicide while insane is an accident. The test of insanity is ability to understand the moral character of the act.

Mr. Eager believes it is advantageous to remove many of the cases from the state to federal courts. To prevent such removal, the scheme has been developed of assigning the rights of the beneficiary to a citizen of the same state as that of the company. This scheme has been decided to be valid. To meet this it is recommended that resort be made to a federal declaratory judgment action before any action on the policy has been filed.

Lowell White on Autopsies

"Autopsies as Affecting Health & Accident Contracts and Double Indemnity

Provisions" was the subject of Lowell White, Denver. There are certain groups which have objected to autopsies on racial and religious principles. Members of the orthodox Jewish faith object on the religious ground. The great bulk of those in this country who object to post mortem examinations do so for sentimental reasons, or without any clearly defined thought on the subject. The right to demand an autopsy under an insurance policy can be used to promote justice in the settlement of claims and trials of lawsuits. Unless there is a provision for autopsy in a contract the courts will almost always rule with the persons who have refused the autopsy. The courts may not get their ruling on the necessity to establish facts but quickly base it upon an alleged public policy to the contrary.

The usual autopsy clause is a provision that the insurer shall have the right and opportunity to examine the person of insured and also the right and opportunity to make an autopsy when seasonably and reasonably made. An autopsy must be demanded within a reasonable time after insured's death, and a representative of an insurer must bear in mind that if the insurer is to successfully defend on the ground of a refusal to permit an autopsy, it must be able to show that it was diligent in making the demand when it did. If insurer desires an autopsy, demand should be made before burial of the body if that can reasonably be done, and where it had ample opportunity prior to burial, insurer cannot be heard to say that a demand made thereafter was reasonable.

The annual dinner was held Tuesday evening.



AS FAITHFUL AS "OLD FAITHFUL"

Here's to a Banner 1960

Life insurance selling is a business of futures. The product you sell is invariably slated for future delivery . . . and the people you meet represent your future potential paid-for.

Thus the future of your company is far more vital to you than its past.

The fact that in 36 short years the Mutual Trust Life has established itself as one of America's very strongest companies indicates the future growth that is sure to be the lot of this vigorous organization . . . which in 1939 showed . . .

- (1) a ratio of 40% actual to expected mortality
- (2) a yield on gross assets of exactly 4.0%
- (3) a growth in total assets of 80% and a growth in surplus of 163% during the past ten depression years.

The Mutual Trust Life operates in 18 states including those having the most up-to-date laws for protecting policy-holders.

MUTUAL TRUST LIFE INSURANCE COMPANY

135 S. LaSalle St.
CHICAGO

One of 24 purely mutual, net level premium, 3% reserve companies in the United States.

EDITORIAL COMMENT

Period of Numerous Conventions

THIS is one of the favorite periods for conventions. Starting directly after Labor Day and continuing until the middle of December the insurance newspapers will be crowded with events. At times as many as five or six different conventions are occurring the same week. This demands man-power, a well organized reportorial staff and correspondents to cover these events adequately and with dispatch. It is with justifiable pride that the leading insurance papers are able to absorb all these extraordinary conventions without being afflicted with indigestion. The modern trade paper must be fully equipped to meet any emergency. The handling of insurance conventions is almost a full time job in an insurance newspaper office these days.

Coming from these conventions are digests of various addresses and statements. There is a running account of

the high lights of the meetings. The work requires time, thought and application. There is a vast amount of material emanating from these meetings. Some of it is decidedly common-place and inconsequential. A great deal of it is important and illuminating. It is the province of those assigned to these conventions and the desk editors to exercise the best judgment in selection and summarizing. They must be fully acquainted with the subjects treated. They must be able to cull from the vast amount of grist that which is truly valuable. Insurance men can add much to their store of knowledge by reading these stories of conventions. They are well worth while. They should be part of the educational process that has been emphasized within the last few years. They offer to insurance people in any position a veritable textbook of important information.

No Time to Relax Vigilance

BEFORE the TNEC released its skillfully timed publicity on the SEC-WPA Boston industrial insurance survey a frequent question among life insurance men was, "What do you hear about the TNEC investigation these days? Don't you think it has pretty well quieted down?"

It is of course unfortunate that the sensationalized, prejudiced report of the SEC on industrial insurance in Boston was released at all and particularly that it was given out so as to blanket the publicity obtained by the statement which 155 life companies filed with the TNEC in an effort to correct inaccuracies in the record of the TNEC hearings. At the same time in view of a possible disposition on the part of many life insurance men to consider the TNEC investigation a dead issue it is perhaps just as well that Senator O'Mahoney's committee turned loose with its Boston release and did so in a fashion to arouse grave suspicion that it was deliberately designed to blanket any possible favorable publicity that the companies' statement might have obtained.

Hardly less indicative of the real spirit behind the benevolent assurances of Senator O'Mahoney were the lengthy articles in the New York "Herald Tribune" purporting to be based on an advance look at the report which the SEC filed with the TNEC and which has been kept secret except for the

"Herald Tribune" publicity. It is no discredit to N. P. Gregory, author of the articles, for being able and enterprising enough to ferret out the material. But Mr. Gregory did not obtain his knowledge of the report's contents by means of extra-sensory perception. It is quite obvious that somebody let him see the report.

Either someone on the committee or employed by the committee took a lot of authority into his own hands, in which case he should have been smoked out and denounced by the chairman, or else the whole "leak" had the tacit approval of O'Mahoney. And even in the latter event it seems surprising that the TNEC's shrewd chairman did not at least take the trouble to go through the motions of searching out the culprit who released this confidential information, particularly in view of O'Mahoney's expressed desire to keep the whole thing out of election politics.

There is an interesting parallel between the situation of England and that of the institution of life insurance. In the years leading up to the present war and even up to the collapse of France there was nothing about German military operations and preparations that Englishmen did not know or could not easily have found out. They preferred, however, to believe what they wanted to believe rather than to take a realistic view. Even after war was declared they failed to take Germany seriously. Now,

when it is almost too late, they are awakened to united and unstinted action.

Similarly, the life insurance business was not seriously impressed by the SEC-TNEC threat until after the hearings started even though it was known that there were radical new dealers who would like nothing better than to take over the life insurance companies in order to have control of the billions of dollars of assets for further government spending. Even after the hearings had shown the temper of the investigation, and particularly the determination of the SEC to discredit state supervision of life insurance became apparent, the companies could not agree on what course should be taken to meet the common menace. The recent statement filed by the 155 companies was for that reason a most encouraging sign of ability to cooperate on important issues. It is to be hoped that the companies not represented in the statement had some other

reason than a feeling that nothing should be done.

The time when it is most difficult for a sentry to keep on the alert is when there is nothing much happening. There is danger now that the companies have filed their report, the Boston survey has been released and the main part of the SEC report to the TNEC has "leaked" out that the life insurance business will settle down into the comfortable philosophy that nothing more is going to happen. But there has been no purge of those members of the new deal who are unfriendly to the life insurance business as now constituted. If it suits their purpose to bring the life insurance business into the hottest part of the political arena they will not hesitate to do it. Everything possible should be done to prepare the life insurance business for whatever may be in store. If nothing happens, so much the better, but it is not safe to rely on any such pleasant prospect.

PERSONAL SIDE OF THE BUSINESS

L. W. Secor, general agent Washington National, has been named president of the Des Moines Service Club. He also is secretary of the General Agents & Managers Club of Des Moines.

C. C. Spaulding, president of the North Carolina Mutual Life of Durham, N. C., addressed the Association for the Study of Negro Life & History at the International House in Chicago on the "History of the Negro and the History of Mankind." The occasion was the 25th anniversary of the organization, which is one devoted to preserving the history of Negroes and of their contribution to the common progress. **W. F. Savoy** of Columbus, O., manager of the Supreme Liberty Life of Chicago, took part in the proceedings.

Miss Ruth Mary Ricker, daughter of **Harry R. Ricker**, assistant secretary Northwestern Mutual Life, and **Irvin H. Burdick** will be married in Milwaukee Sept. 21.

Roy Le Crow, Georgia general agent State Life of Indianapolis, was elected mayor of Atlanta, defeating Mayor Hartfield by less than 100 votes. Mr. Le Crow is a major in the army reserve and may be called to service at any time.

Bart Leiper, advertising manager Provident Life & Accident, was elected president of the American Business Club of Chattanooga.

Hobson Mansfield, Massachusetts Mutual Life, president of the Chattanooga Association of Life Underwriters, was named as governor.

Raymond Rhoads, assistant superintendent of insurance of Ohio, who suffered a heart attack about two weeks ago, is reported to be improving at his home in Columbus.

Although he has two holes-in-one to his credit, **Maj. James J. Harrison**, Arkansas general agent of the Union Central Life, does not believe the scoring of golf aces is likely to become a

habit. His first one was stroked July 4, 1925, and his second was a Labor Day exploit on the 151-yard, par three No. 9 hole of the Little Rock Country Club course.

Julian Price, president Jefferson Standard Life has been visiting the Pacific Coast.

A. D. Reynolds, assistant treasurer Reliance Life, is recovering in the Pittsburgh Hospital from an automobile accident.

Arthur A. Loeb of Stumes & Loeb, general agents Penn Mutual, Chicago, is forsaking the ranks of the bachelors and Oct. 10 will marry Mrs. Daisy Newman of Chicago. They plan to go on a honeymoon to New York. Mr. Loeb has been a confirmed bachelor for a very long time. He and his bride-to-be have been acquainted for about 12 years.

Roy Tuchbreiter of Chicago, executive vice-president of the Continental Casualty and Continental Assurance, has gone to his ranch in Oregon and will be absent from the office until the first of October. **H. A. Behrens**, chairman of the Continental Casualty and president of the Continental Assurance, who has spent the summer season at his home on Belvidere Island in San Francisco Bay, will answer to roll call the latter part of this month.

DEATHS

Edward T. Collagen, for the past four years Metropolitan Life manager in Somerville, Mass., died. Mr. Collagen had served Metropolitan in Gloucester, Mass., and New Britain, Conn.

J. S. Johnson, 79, Saginaw, Mich., general agent Penn Mutual from 1925 to his retirement in 1934, died at his summer home at Mullet Lake. He had been in ill health for about a year. He

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started in life insurance in 1902 with the Northwestern Mutual Life. Since 1923 he had been associated with his son, J. E. Johnson.

Mrs. George Kuhns, widow of the former Bankers Life of Iowa president, died at her home in Hollywood, Cal. Burial will be in Des Moines.

The body of **James P. Peters**, 46, district manager of the Lamar Life, was found in his automobile parked off a highway near Shreveport, La. A hose connected the exhaust line with the car's interior.

Bert H. Stowell, general agent for the Provident Mutual Life in New Brunswick, N. J., died following an emergency operation. He entered life insurance in 1927 with L. F. Paret, who was then Provident Mutual agent in New Jersey. The following year he was

made district agent for New Brunswick and in 1930 general agent for central New Jersey with headquarters in New Brunswick.

Second Vice-president **C. F. Glueck** of the John Hancock Mutual Life died last week at his home in Boston. He had been with the company more than 47 years and was manager of its group department, which he established in 1924. He created the risk classification division, was vice-president in charge of the life conservation and visiting nurse services. He was instrumental in creating and was the company's representative in the direction of the Life Insurance Adjustment Bureau of New York City.

R. A. McGovern, 52, for 13 years an agent of the Mutual Benefit Life, died at his home in Columbus, O., from a cerebral hemorrhage.

NEWS OF THE COMPANIES

Minnesota Mutual Passes 60-year Mark

Minnesota Mutual Life this month celebrates the 60th anniversary of its founding.

In a one-room office in St. Paul in 1880 a few employees gathered to begin offering financial protection through life insurance. The start was slow. At the end of the first year insurance in force was \$136,000. Today the company has \$234,000,000 in force and assets of \$50,000,000. Since organization it has paid out nearly \$70,000,000 to policyholders and beneficiaries.

After Minnesota Mutual gained a firm foothold, the climb upward was fast.

Growth Shown By Decades

In 1890 assets were \$271,436 and insurance in force \$11,812,000; 1900, \$1,472,178 and \$18,240,000; 1910, \$3,155,120, and \$19,473,579; 1920, \$8,052,192, and \$77,604,480; 1930, \$25,354,450, and \$207,945,603; 1939, \$47,779,732, and \$230,003,369.

The first president was Alonzo G. Alcott. He also was the first applicant to be declined for insurance. First chairman was Charles H. Bigelow, then president of St. Paul Fire & Marine. It is said of Mr. Bigelow that he initiated every policy that Minnesota Mutual issued in its early days.

Minnesota Mutual has 80 agencies and 500 agents. There are about 200 home office employees.

It made rapid strides toward its present position in the field beginning in 1908 when E. W. Randall, president for 20 years, became associated with it. Within a few months after he started with the company he was joined by T. A. Phillips, who had been an actuary with New York Life. Mr. Phillips has been president for the past 11 years. Mr. Randall died last month at which time he was chairman.

Minnesota Mutual earned an average of 3.9 on its investments in 1939. The mortality experienced was 46.4 of the expected. The percent of net surplus to net liabilities was 6.9. Growth in the last 10 years has been 25.5.

In convention examination this year the examiners allowed larger surplus funds than it had claimed in its published statement and called it "sound, efficient, as well as considerate of its policyholders."

Celebration of the anniversary was the occasion of a two-months sales campaign during July and August.

W. A. Rawlings Retires

W. A. Rawlings, vice-president of the Massachusetts Mutual Life in charge of mortgage loans since 1933, has retired from active duty after 48 years of continuous service. The mortgage loan department will continue under the general supervision of Bert Mount, superintendent of loans, assisted by H. C. Peiker,

associate superintendent of loans and L. E. Bartlett, assistant superintendent of loans. The real estate department will continue under the general supervision of W. J. Aring, superintendent of real estate, assisted by Associate Superintendent A. C. Nichols, and Assistant Superintendent, G. A. Craig.

Mr. Rawlings entered the employ of the company in 1892 as clerk and stenographer in the Salina, Kan., mortgage loan office; then in 1894, he went to Kansas City as cashier of both the insurance agency and the loan office. In October, 1901, he was transferred to the mortgage loan department of the home office.

F. D. Macorquodale Retires

F. D. Macorquodale, superintendent of agencies for the Sun Life of Canada, in charge of the West Indies, Cuban, Central and South American branches, has retired after 24 years of service. He was given a farewell luncheon attended by Arthur B. Wood, president and managing director, and a large number of fellow officers and associates. Mr. Macorquodale has been with the Sun Life since 1916, following the absorption by the Sun Life of the Prudential Life of Winnipeg of which he was actuary. At one time he was superintendent of group agencies and also served as superintendent of western United States branches.

Plans of Osteopaths' Company

American Fidelity Life of Kansas City, which is being promoted as an osteopathic enterprise, will not be ready for operation for several months, according to A. O. Runkel, 921 Walnut street, Kansas City, who is selling the stock. Mr. Runkel several years ago was president of the old Bank Savings Life of Topeka which was later taken over by Victory Life of Topeka. The stock is being offered for sale only to licensed osteopathic physicians. It is contemplated that when the company is organized, the medical examinations will be conducted by osteopaths. There has been authorized \$100,000 shares of \$1 par value stock. The shares are being sold for \$2.10 of which 10 cents covers organization expense.

H. C. Ihrig has joined the Northern Life in charge of special public relations activities.

The marriage of Miss Elizabeth Hilberg Seifried and **Charles M. Williams**, executive vice-president of Western & Southern Life, took place at the private chapel of Mr. and Mrs. Charles F. Williams in their country home on Mt. Washington, near Cincinnati. Following the marriage ceremony, a wedding breakfast was held at the Hamilton County Country Club.

The UNION CENTRAL BULLETIN BOARD

UNION CENTRAL'S

TOTAL ASSETS

RECENTLY

PASSED

\$400,000,000.00

... and Union Central has
placed these dollars in
investments which contribute
to the progress of every state
in the Union

LIFE SALES MEETINGS

Republic National Agents in Parley

The important part which life insurance is playing in the economic life of the nation was stressed by President T. P. Beasley at the annual convention of the Republic National Life at the home office in Dallas. Life insurance in force is sufficient to provide two full years of income for every family in the United States, he pointed out. To em-



T. P. BEASLEY

phasize the tremendous sum which is paid policyholders and beneficiaries each day, Mr. Beasley said that payments on maturing endowment policies and annuity contracts would alone provide nearly \$300,000,000 which is enough money to purchase 500,000 new automobiles which stretched bumper to bumper would reach from New York to San Francisco.

During the last five years the Republic National Life has increased its assets more than 270 percent and surplus more than 133 percent and insurance in force more than 118 percent. During the past club year business increased 66 percent.

The need for proper selling and conservation work was stressed by Mr. Beasley, who said that volume alone, although it is to be desired, will not bring an agent to the full stature of a successful underwriter. "No salesman or company can long survive in business without regard to the needs of the purchaser and without regard for the attention and service to which the purchaser is entitled after the sale is made," he declared.

A two-day seminar was conducted by B. N. Woodson, Sales Research Bureau covering attitude, personal efficiency, the job of the agent and selling.

The home office was inspected with O. L. Burger, vice-president, as chairman of the reception committee.

On the last day at a meeting in charge of M. A. Anderson, agency director, awards were presented by Mr. Beasley to the officers of the company Leaders Club; E. J. Druke, president, J. G. Oltorf, vice-president, R. B. Clark, secretary and to club members.

Mr. Anderson reviewed the past year's work and outlined objectives and a well formulated plan for the coming year.

At the banquet with Mr. Beasley as toastmaster, R. E. Jackson, Texas humorist, spoke.

McGiveran Agents Hold Outing

EAU CLAIRE, WIS.—Ben S. McGiveran general agency for the Northwestern Mutual Life will hold a fishing party, outing and brief business meeting at Boulder Junction, in northern Wisconsin's lakes region, Sept. 13-15.

Oregon Mutual to Expand Eastward

PORTLAND, ORE.—Oregon Mutual Life, which already has agencies established in Washington, Idaho and California, as well as throughout Oregon, plans to extend operations into all territories west of the Mississippi.

This announcement was made at the annual convention at Harrison Hot Springs, B. C., by W. P. Stalnaker, vice-president and treasurer.

Territory to Be Assigned Soon

Plans will be further outlined and territories assigned early in October.

Talks were made by F. W. Tregaskis, Raymond, Wash.; R. R. Brown, J. R. Gerber, J. S. Williams, Mr. Stalnaker, R. W. R. Calderwood, G. W. Schoeffel; G. W. Wisting, and W. C. Schuppel, executive vice-president; and W. R. Lewis of the home office; Ted Thompson, Spokane; Ward Phelps, Sales Research Bureau.

Liberty National Agents in Parley

In opening the annual Torch Club convention of Liberty National Life at Panama City, Fla., President Frank P. Samford restated his belief that agents should have a voice in fixing company policy. In congratulating leading producers, he declared, "the company will look to you to help formulate its policies."

More than 160 members and guests were present.

V. O. Brown, Fort Knox, Ky., who placed the largest volume of business

during the club year was installed as Torch Club president. Mardis Howle, Birmingham, with the largest increase in insurance in force, qualified as vice-president.

Great Gains Reported

President Samford stated that insurance in force had increased \$30,000,000 in the past four years and that total assets and policyholders' surplus had nearly doubled. "At no time in the history of the company," he reported, "has it been in a stronger financial position, with assets in better condition or with better margins of safety."

Entertainment consisted of deep-sea fishing, golf, dancing and other sports. Special entertainment for the ladies, while meetings were being held, was arranged by Mrs. Samford.

Great-West Life Agents in U. S. Hold Convention

Great-West Life agents and a number of managers from the United States held their convention in Winnipeg for three days this week, 35 agents having qualified from this country. There were only two business sessions, the first being conducted by the Detroit agency under Manager A. P. Johnson and the second by the Chicago agency of Manager E. M. Schwemm. The Schwemm agency, with 11 qualifying agents, conducted a panel discussion on social security Wednesday and then Manager Schwemm presented promotional material which the Great-West Life has just produced, dealing with social security. The banquet was held Monday night. A feature was a trip by air to the San Antonio gold mines. The Schwemm agency stands in first place in production so far this year for both the United States and Canada.

Manager Johnson also qualified 11 agents to attend, which was one-half the entire agency force. These 11 men paid for more than \$2,500,000 new business in the agency year, averaging over \$225,000

RELIANCE BULLETIN

Published by RELIANCE LIFE INSURANCE COMPANY OF PITTSBURGH

FLASH

Reliance life insurance in force at end of July, totalled more than \$496,000,000.00.

FLASH

Over \$107,616,308.00 insurance traceable to Reliance Lead-Service Letters since introduction of the plan.

FLASH

President's report shows Reliance Policyholders and Beneficiaries were paid \$10,318,535.55 in 1939, an increase of \$1,022,022.31 over 1938.

FLASH

Steady gain in business marks first seven months of 1940. Reliance sales show increase of 4.1% over same period 1939.

From the Records

Facts FOR THINKING MEN AND WOMEN

... Last year 53,000 new policyholders were added to the Sun Life family

SUN LIFE of CANADA

HEAD OFFICE • MONTREAL

per man. The Detroit leader was E. W. Baker, who paid for more than \$500,000.

New York Life Men at Chattanooga

CHATTANOOGA — Over 150 attended a three day meeting of the \$100,000 Club of New York Life here.

Griffin M. Lovelace, New York, vice-president; Howard Conley, Little Rock, inspector of agencies, and Dick Oliver, St. Louis, inspector of agencies, were in charge.

Paul Speicher, R. & R. Service, spoke on "Life Insurance in a Troubled World." Joseph Herring, New York, tax expert of the agency department talked. Plans for the coming year's work were outlined.

W. E. Baker, Chattanooga, was honored for 50 years of service.

Equitable Meet in Biloxi

The Equitable Society held a sales and educational conference at Biloxi, Miss., attended by agents from four states. Hillsman Taylor, Memphis, former president of the old Missouri State Life, spoke at the banquet and visitors were welcomed by Ray Butler, Gulfport.

Federal Life Parley in Des Moines

DES MOINES—Over 35 agents of the Federal Life attended a conference here with George Barmore and Spencer Keare, vice-presidents.

Conservative Life Leaders Honored

Seventy Indiana and Michigan agents of the Conservative Life of South Bend, Ind., met at the home office to be hon-

ored for outstanding three-months records. Home office men spoke.

Hold Mutual Trust Regional

Convention qualifiers from the eight eastern states covered by Mutual Trust Life held a three-day regional meeting in Swampscott, Mass. with about 79 attending. The program included sales demonstrations, open forums, talks by officers and leading field men and introduction of the new programming system, the "Determinator." Other features were a deep-sea cruise, golf tournament and the annual banquet. Company officials present and participating in the program were Vice-presidents A. B. Slattengren and Raymond Olson, L. R. Lunoe, eastern manager, A. E. Richardson, Jr., A. H. Neil, C. E. Menor and H. A. Newhart, agency secretary.

Pennsylvania Agencies to Meet

W. R. Chapman, assistant director of agencies Northwestern Mutual Life, and W. B. Minehan, secretary's department assistant on pension trust and advance underwriting matters, will represent the home office at a meeting of the Roger Clark general agency in Pittsburgh, Sept. 12, and at a sales meeting and outing of the H. L. Smith general agency of Harrisburg at Eaglesmere, Pa., on Sept. 13-14. Mr. Chapman will discuss the security income and salary savings plans, and Mr. Minehan will speak on business insurance matters from the home office viewpoint. C. S. Ohsner, special agent at Columbus, O., will talk on "Getting Action by Using the Business Approach" at the Pittsburgh meeting.

NEWS OF LIFE ASSOCIATIONS

Michigan Training School Successful

LANSING, MICH.—The one-day training school for officers and committee chairmen of local life underwriters associations held here under the auspices of the Michigan Association of Life Underwriters, proved to be an unqualified success. Commissioner Emery, who attended, stated that it is the most constructive move toward association organization that has come to his attention.

With President E. P. Balkema, Northwestern National, Detroit, and H. B. Thompson, secretary-treasurer, Detroit, presiding, the five most important association operations were discussed in seminar style, with ten-minute expositions followed by round table discussions. There were 41 local officers representing 11 of the 13 affiliated organizations present.

Plan Year in Advance

Among the points brought out were: Plan programs a year in advance so as to secure the right caliber of speakers and to eliminate hurried last-minute appeals for speakers who do not have sufficient time to prepare their subjects thoroughly. A planned program provides sales ammunition for the membership committee.

Balanced programs containing selling and technical material as well as general public interest material are important. Educational talks should appeal to all types of members. It is advisable to secure some outside speakers in order to provide a fresh viewpoint. An exchange system among local groups is to be established so that men well qualified to speak on certain phases of the business will be available to all associations. Seminar meetings at which members express opinions and contribute their experiences were suggested.

In securing publicity consideration should be given what the public wants to read rather than what the associations wish to get into the papers. Local newspapermen should be consulted as

to the best type of publicity releases. Close cooperation between program and publicity committees is needed, particularly in getting material on forthcoming programs long enough in advance so that publicity can be secured.

In legislative work it is necessary to present a united front. Only legislation designed to benefit policyholders should be sponsored. Power pressure tactics in dealing with legislators should be avoided. By maintaining close contact with legislators in each community they can be kept informed of the merit of proposed legislation from the policyholders' standpoint.

Prepare Sales Kit

In membership work the preparation of a sales kit is advocated. The work of the association and the state organization should be outlined graphically and if possible visually, with the complete year's program, objectives, publicity clippings and an outline of the state association's legislative work. Memberships should be sold just as insurance is, rather than the merely inviting prospects to join. All members should cooperate in seeing prospects so that the work will not be burdensome.

It is possible to develop an active associate membership in outlying territory and adjacent towns. Membership conservation should be given just as much thought and attention as the securing of new members.

In order to keep up attendance at meetings, it is important to develop outstanding educational programs which will aid in holding up the attendance without artificial stimulation. Special efforts to enlist the interest of the industrial men is advocated.

Questions of budgeting the cost of association operation and business practices and ethics were considered although separate seminars were not held on these points.

Local arrangements were handled by Vice-president Harold Brogan, manager Ohio National Life and H. J. Henry, Aetna Life, president Lansing association.

Mr. Thompson stressed vigilance in watching adverse legislative proposals

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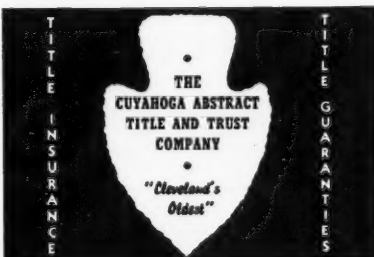
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affecting premium, inheritance and personal property taxes which would unjustly burden policyholders. Mr. Thompson also fears there will be an effort to impose an examination system for licensing agents of life companies domiciled outside of Michigan while exempting agents of domestic companies and fraternal. The state council favors departmental regulation instead of a qualification law.

Clarification of the Michigan statute regarding "legal death" should be sought, Mr. Thompson said, the present law forcing litigation to determine the amount of recovery and liability even on an agreed set of facts. Policyholders and companies alike suffer from the complications and ambiguity of the present law, he said.

Advanced Course in N. J.

NEWARK—Life Underwriters association of Northern New Jersey is sponsoring a new 24-week course on estate protection, taxation and business insurance, which will open Oct. 9 in the University of Newark.

The faculty includes Dr. S. S. Huebner, James Elton Bragg, C. P. Dawson, Ralph Engelsman, Denis B. Maduro, C. J. Zimmerman, and Irvin Bendiner.

In addition, the association is again sponsoring the C. L. U. courses which will be given at the university. Parts 1, 2, 3, and 4 will be included, each part covering a semester course.

V. E. Vining, director of store sales for the Westinghouse Electric Company spoke at a luncheon meeting on selling. "See if they need your product and then find out if they can pay for it. Knowledge of a product has never yet sold merchandise. You must let the people sell themselves," he said. E. C. Hoy, retiring president, received a plaque in recognition of his efforts.

Pittsburg, Kan.—The Southeast Kansas sales congress will be held here Oct. 25 with Frank Sutton, Coffeyville, as chairman. The Pittsburg association heard Albert F. Coyle, who is active in war refugee work. Robert Tharrington, president, was in charge.

Buffalo—S. A. Carroll, Aetna Life, has resigned as a director. He has been called to service as a captain in the 174th Infantry. W. A. Schworm, president, announced that bookings have been made for showing "The American Portrait" film before 25 clubs and associations in Buffalo during the coming year. Albert Stettenbenz succeeds Mr. Carroll as director.

Peoria, Ill.—As a public service, free advice is being offered to aliens concerning the government alien registration at the association office by J. H. McPherson, executive secretary.

Grant Taggart, Cowley, Wyo., special representative of California - Western States, and National association trustee, will be the main speaker Sept. 19.

Oklahoma City—Dr. Hubert Greaves, educational adviser Massachusetts Mutual, will speak Sept. 18 on "Speech and Personality in Selling." Gale Johnston, Metropolitan Life, St. Louis, will be the October speaker.

San Francisco—George H. Harris, public relations officer Sun Life of Canada, speaks Sept. 19 on "Life Insurance in This Changing World." Charles T. Davies, of Wyomissing, Pa., who owns \$1,000,000 of life insurance, will speak at a public meeting the evening of Sept. 23.

Detroit—Manuel Camps, Jr., John Hancock Mutual Life manager, New York, spoke at the opening meeting on "Where to Find Prospects in the Fall of 1940." New officers were introduced and a report was presented by the law and legislation committee.

The Detroit association's main objective this year is to secure for Detroit the 1941 convention of the National association, according to President W. A. Post, Connecticut General.

Kankakee, Ill.—H. A. Brinkman, vice-president Harris Trust & Savings Bank, Chicago, will talk Sept. 12.

Oakland-East Bay (Cal.)—H. R. Breakenridge, manager Equitable Life of Iowa in Oakland, has been elected president, succeeding Ray Orth, who resigned when appointed assistant to the president of the Sunset Life of Olympia, Wash. Mr. Orth has already left California for Washington to assume his new position.

Salt Lake City—Dr. A. S. Bennion, as-

sistant to the president of the Power and Light Company, spoke on "Which Way, America?"

Lancaster, Pa.—At the first meeting after the summer recess standing committees were named. Francis Sharpless presided.

Illinois—J. H. McPherson, executive secretary Illinois association, recently appointed, has already become active, getting around the state to meet with local associations. He attended the Quincy association meeting at which a recorded talk on simplified programming by J. O. Todd, Chicago, was presented. Mr. Todd has been a million dollar producer for four years. Quincy has 29 members and promised Mr. McPherson 40 members before long. James McGee is president. Mr. McPherson will attend the meeting of the East St. Louis association Sept. 12. That group now has 74 paid members.

New Bedford, Mass.—A meeting will be held Sept. 18 to organize a local association. Roger B. Hull, managing director, will represent the National association and Chester E. Davis, Connecticut Mutual Life, New Bedford, will be responsible for getting out the local representatives.

Texas—The west Texas sales congress at Big Spring has been reset for Nov. 4 instead of Oct. 28.

Augusta, Ga.—W. D. Lanier, member of the Georgia legislature, was the speaker.

Los Angeles—The season was opened with a meeting of the Life Insurance Forum. At the meeting Sept. 25, the addresses by C. J. Zimmerman, Nathaniel Seefurth and John Todd at the Philadelphia convention that day will be broadcast.

Can't Cover Family in Ohio

COLUMBUS, O.—Attorney-general Herbert has held that it is unlawful to issue family life insurance policies. A foreign company had applied for a license to write policies insuring the "primary insured" in a family and other members of the immediate family.

CHICAGO

TO PARTICIPATE AT PHILADELPHIA

Four women from the Equitable Society in Chicago will participate in the women underwriters' session at the National Association of Life Underwriters' convention in Philadelphia. Miss Sara Frances Jones, Lustgarten agency, will act as leader at the meeting of the Women's Quarter Million Round Table. The subject will be "Investment Insurance and Its Uses in the Present Day." Miss Agnes Bruder, Hobbs agency, and Mrs. Hattie Kalish, Lustgarten agency, are also in this discussion. Miss Jones will be coordinator of a panel on "The Best Plan I Know to Increase My Income." Miss Helen Zepp, Reno agency, will discuss "Where?" as part of the panel. Miss Jones and Miss Zepp are life members of the Women's Quarter Million Round Table, and Miss Bruder will be a life member this year.

LIFE SUPERVISORS HEAR JAQUA

The Life Agency Supervisors of Chicago held their first meeting of the year Wednesday with A. R. Jaqua, associate editor Diamond Life Bulletins, Cincinnati, as speaker. The October meeting will be at the regular time, the second Thursday of the month. The September meeting was put up one day so as not to conflict with the Chicago Quarter Million Dollar Round Table "Information Please" program on Thursday.

BROTHERS LOUER ARE PARTNERS

Agent M. B. Louer of the Northwestern Mutual Life in Chicago for over 20 years, announces that his brother, Charles H., for many years in the real estate and insurance business has formed a partnership with him at 208 South La-Salle street.

NEW AGENCY CASHIER STATE LIFE

Kathleen O'Reilly has been made agency cashier in the Chicago office of State Life to replace James Rosenblatt,

resigned. Miss O'Reilly has been in the State Life office 14 years. Before this she was in the insurance department of McKee & Poague, Chicago, real estate office.

SIDNEY ECKSTONE IN HOSPITAL

S. S. Eckstone, Chicago general agent for the Manhattan Life, was rushed to the hospital for a serious operation. He will be away for at least six weeks.

The Bankers Life & Casualty of Chicago has moved its home office from 1500 Midland building to larger quarters at Room 1100 in the same building. The first monthly meeting of the agency force for the fall season was held Wednesday at the Midland hotel, when plans for expansion of activities were discussed.

COAST

Caminetti Files New Petition

LOS ANGELES — Commissioner Caminetti has filed an amended petition for a writ of prohibition in the state supreme court in the case of the Alliance Mutual Life of Santa Ana in which he seeks to nullify the action of the district court of appeals, which denied him such a writ in San Diego.

When the commissioner sought his writ of prohibition in the supreme court, previously, it was granted in all the cases involving San Francisco and Santa Barbara counties, but was not granted in the Orange county case because of the district court of appeals ruling.

While this legal tangle is being unraveled, the superior court of Orange County is continuing to hear the arguments and testimony on the alternative writ of mandate secured by the officials of the Alliance Mutual Life requiring the conservator to return the company, its properties and its affairs to the custody of the former officials.

Central Department Wins Contest

The central department of the West Coast Life, consisting of the state of California, Reno, Nev., and Phoenix, Ariz., under the direction of Otto Langpaap, inspector of agencies, won out in a 50-day contest with the other regional departments with a margin of \$82,660. Between July 1 and Aug. 19 the central department wrote \$1,206,253, or 100.5 percent of its quota.

The Life & Accident Claim Association of Los Angeles held its first meet-

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ing this week with Dr. Chase of the New York Life as speaker.

G. J. Mecherle, board chairman of the State Farm companies, conferred with members of the Seattle agency.

S. A. Riesenman, superintendent of agencies of the Colorado Life, has returned to Denver after a ten-day visit to California.

INDUSTRIAL

Colonial Life Leaders at Virginia Beach for Parley

VIRGINIA BEACH, VA.—Sales leaders of the Colonial Life gathered here for their annual meeting this week. More than 115 qualifiers arrived here from New York City on the steamship George Washington. The gathering was opened by greetings from President E. J. Heppenheimer and Vice-president C. F. Nettleship. C. J. Kreutzer, Philadelphia manager, spoke on the importance of simple programming in ordinary production, and J. G. Bruce, assistant actuary, explained policy endorsements and beneficiary provisions. Frank Buscanics, Beaver Falls, and W. F. O'Dell, Jr., Norristown, explained how they led the company in ordinary and industrial production. R. F. Saylor, Butler, assistant manager, stressed the importance of collections in the maintenance of industrial increase. David Abrams, Morristown assistant manager, and A. P. Kobee, Buffalo manager, spoke on "Producing an All-round Record," and C. B. Harrison, Atlantic City manager, discussed "Building an Industrial Record." The convention concluded with an inspirational talk "The charge" by Vice-President Nettleship.

Promotions Are Announced

E. F. Sansbury has been appointed manager of the Washington National of Evanston, Ill., in Atlanta. He entered its service in 1928 as an agent in Louisville and was appointed superintendent in the same district there in 1932.

B. Y. Mahurin, an agent at Louisville, has been appointed superintendent in that district.

Williams at Indianapolis

Charles F. Williams, president Western & Southern Life, addressed 650 agents at a banquet in Indianapolis. He was accompanied by his three sons, all of whom are company executives.

MANAGERS

Managers Urged to Aid Underwriters Association

LOS ANGELES—Charles E. Cleeton, Occidental Life, vice-president Life Underwriters Association of Los Angeles and chairman of its membership committee, at the opening meeting of the Life Insurance Managers Association, urged greater activity by managers and general agents in promoting membership in the underwriters association. He set the goal for membership by July 1, 1941, at 750 and also set a goal of 100 percent membership from each general agency. He said 46 of the general agents and managers in the city are not members of the underwriters association.

R. J. Bauer, manager of the Better Business Bureau of Los Angeles, talked on the "Bureau at Work in the Field of Life Insurance." He paid tribute to Commissioner Caminetti for his action on the Chapter 9 companies.

Seminar Session in Buffalo

A seminar session featured the first fall meeting of the Buffalo Life Managers Association.

Speakers were R. T. Odiorne, Connecticut General Life, and M. S. Tabor, Travelers. L. J. Burns, Union Central Life, was in charge of the program.

Managers expressed disappointment over the failure of the insurance department to conduct an examination for licenses in September.

San Francisco Body Plans Year

The fall "kick-off" meeting of the San Francisco General Agents & Managers Association under the presidency of F. J. Curry, Penn Mutual Life, was held with a discussion of plans for the forthcoming year.

Martin Speaks in Portland

At the first fall meeting of the Life Managers Association of Portland, Ore., Gen. Chas. H. Martin, former governor, spoke on "What should be America's attitude during the present world crisis?"

Columbus Managers to Golf

COLUMBUS, O. — The Columbus Life Managers & General Agents Association will hold its annual golf tournament Sept. 12 at the Brookside Country Club, the first fall meeting. Superintendent Lloyd and his staff will be guests.

For Uniform Active Lives Reserve in Non-Can Field

Commissioner Harrington of Massachusetts, in addressing the recent convention of Loyal Protective Life, predicted that the National Association of Insurance Commissioners will soon adopt as standard for the computation of reserves for active lives under non-cancellable accident and sickness policies the recommendation of the committee of the Health & Accident Underwriters Conference of which John M. Powell, president of Loyal Protective is chairman. The Massachusetts department, he observed, has already adopted the proposal. The department is studying the report relative to an adequate reserve basis for disabled lives under non-can policies, that was recently adopted by the Health & Accident Underwriters Conference. If the Massachusetts actuary approves that report, it will be adopted in Massachusetts as a uniform basis for reserves on this class of business.

Mr. Harrington declared that it is imperative that sound principles govern the future writing of non-can business. Sufficient experience is now available to enable companies to guard against the pitfalls of the past, he said. The department proposes that future reserves shall be adequate and reasonable so as to avoid recurrence of the financial difficulties that have been experienced in handling this class of business by some companies.

Announces Allowances to Employees Called to Flag

One of the companies has notified its employees of the allowances that it will make for those who are called to war service. Those who have been in the employ of the company for less than one year will receive a month's pay; those who have been with the company more than one year but less than two will receive two months' pay and those who have been with the company more than two years will receive three months' pay.

The company will continue employees' group life insurance in force and hospitalization insurance for the employees' dependents, but not for the employee himself. When the employee is ready to return to the service of the company, he will be given employment at the same pay that he was receiving when he was called to the military service, but he will not necessarily be assigned to the identical duties that he performed.

Set a new accident and health sales record on **Hoodoo Day**, Friday, Sept. 13.

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INSURANCE IN FORCE, 590 MILLION DOLLARS
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LEGAL RESERVE FRATERNALS

K. of C. Votes to Enter Upon Level Premium Program

At its convention in Indianapolis Knights of Columbus adopted four additional level-rate plans of insurance and a modified five year step rate plan to replace the present single insurance plan. The exact date of making these new plans effective has not yet been fixed, but preparations for introduction of the new system are being made as rapidly as possible.

The four plans are life, premiums to age 70; 30 year payment life; 20 year payment life and endowment at age 65. The new modified five year step rate plan has its rates of contribution so arranged that the certificate becomes paid-up for life at age 65, and the contribution payable just before reaching that age is just double the contribution which the member must pay for the first five-year period.

Reserves for these new plans will be maintained on the American Men Ultimate table of mortality with interest at 3 percent. Valuation will be by the Illinois standard method.

Expenses of Operation

Expenses of operation will be met by the sums released by the valuation method during the first certificate year and by a percentage of each renewal contribution, together with per capita taxes for the general fund.

Non-forfeiture will be provided by the automatic contribution loan provision, continuing the present practice, but cash loans will be permitted when the certificate has sufficient loan equity in excess of a portion thereof, which may be employed only for the contribution loans.

The certificates will participate in surplus in such manner as the directors prescribe.

The member may secure supplemental benefits for waiver of contributions in event of disability, and for double indemnity, by payment of the required additional contributions.

Up to this time, the order has never employed agents to secure the writing of insurance, but with the inauguration of these new plans, a field force will be developed.

No Conversion Program

Holders of certificates upon the present plan, which has a valuation solvency of approximately 110 percent, are not to be disturbed in any way and may continue to pay their present death benefit assessments without change. If members should desire to transfer to one of the new plans, they will generally be permitted to do so, but rules for such exchanges have not been worked out. No general transfer or exchange is either contemplated or desired by the officers or directors.

Three chief reasons for adoption of the new plans at this time are as follows:

1. The members have indicated, by resolutions presented at conventions for several years, that they would like to secure insurance upon the customary level rate plans.
2. Recent legislation requires at least minor changes in the system for new insurance issues.
3. The low interest now safely obtainable upon new investments makes it advisable to assume for future interest earnings on reserves for new certificates

a lower rate than the nominal 4 percent rate involved in the present valuation basis.

The scales of required monthly payments on the new plans are necessarily higher than on the present plan. Examples are as follows per \$1,000 insurance:

Age	L. P. 70	30 P. L.	20 P. L.	Endt. at 65
25	\$1.47	\$1.70	\$2.22	\$1.74
35	2.07	2.21	2.80	2.62
45	3.30	3.09	3.72	4.47

Per capita taxes are payable in addition to the foregoing rates.

Aid Association Groups Meet

Several state organizations of Aid Association for Lutherans will hold their annual gatherings this month. The Indiana federation will meet Sept. 29 in Crown Point, Ind. A. O. Benz, national president, was the principal speaker at the annual meeting of the Michigan federation held this week in Grand Rapids. The northern California and Nevada federations will meet Oct. 20 in Oakland, Cal. An attendance of about 500 persons is anticipated at the western federation annual meeting Sept. 15 in St. Paul when President Benz will talk.

Issues "Family Provider" Form

Equitable Reserve is issuing a "family provider" policy which gives a simple estate program. It provides \$500 clean up fund to the beneficiary at the insured's death, then \$75 a month for six months, \$50 a month for the next six months and \$25 per month for the third six months. In addition, it pays \$40 each of the first three Christmases after the insured dies. However, if he should live to age 65, he would receive an income of \$43.85 per month for 36 months, or an income of \$26.85 monthly for 60 months, or a guaranteed cash sum of \$1,500.

Ohio-W. Va. Force Gathers

The Ohio-West Virginia organization of Ben Hur Life is holding its annual congress in Columbus this week. It is estimated 750 persons are attending, including national officers from Crawfordsville, Ind. The congress opened with a meeting of the junior order over which Mrs. Rhelma King, Columbus, presided. Mrs. Irma Evans, Springfield, is president.

Kuntz, Oklahoma Manager, Dies

Renne P. Kuntz of Oklahoma City, 63, one of the best known fraternalists in Oklahoma, died in a New York hos-

pital from a kidney ailment and pneumonia. For the last 10 years he was state manager of Maccabees. Mr. Kuntz was stricken en route to attend the National Fraternal Congress annual meeting in Baltimore. Services were conducted at Harrisburg, where he was reared. Before going to Oklahoma he was in the Maccabees home office and had been stationed also in Minneapolis and St. Paul. Mrs. Kuntz was his assistant in the Maccabees office. She will return to Oklahoma City shortly to assume management of the office, pending a temporary appointment.

Royal Arcanum in Convention

The supreme council of Royal Arcanum held its annual convention in Swampscott, Mass., for five days taking up many topics of interest to the order. W. C. Root, Springfield, supreme regent, presided. About 200 delegates from 36 states attended. As officers elected a year ago hold for two year terms there was no change in the official family at this session.

Federation Widens Age Limits

RACINE, WIS.—Age limits during which insurance up to \$500 can be secured without a physical examination were changed from ages 10 to 25 to birth to 25 by the Federation Life of America at its annual session here. Joseph Piotrowski was reelected president; Albert Pawlak, secretary; Stanley Rasiewicz, vice-president; Frances Pycior, women's vice president, and John Bednarek, treasurer.

Ohio Conference Called

COLUMBUS, O. — Superintendent Lloyd has called a conference here Sept. 17 at 1:30 p. m. at the Deshler-Wallick Hotel to discuss plans for speeding up issuance of licenses to agents. General agents of out-of-state companies and officials of Ohio companies are being asked to attend.

New President in San Antonio

Claude R. Fuquay has resigned as president of the San Antonio Life Managers Club because he is making a new connection which he feels will not allow him to give the time to the presidency. He has just left the Franklin Life after a connection of more than 25 years as

a producer and general agent. B. A. Perry, Reliance Life, vice-president, was advanced to president and Frank Williams, Provident Life & Accident, secretary-treasurer, was made vice-president as well.

Set a new accident and health sales record on **Hoodoo Day**, Friday, Sept. 13.



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may well be the title of the Coming Period between 1940-1950.

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Life and Disability Insurance

A True Fraternal and a Mutual
Life Insurance Association

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VIEWED FROM NEW YORK

By R. B. MITCHELL

"PRESIDENTIAL" CONTEST

The W. H. Kee agency of the Mutual Life in Brooklyn is running a "presidential contest" the agency being divided into two parties. The two highest scoring producers will be automatically elected president and vice-president and the next 10 highest will be members of the cabinet.

DELEGATION TO ENGLAND

There is a story going the rounds here that a delegation of physicians from the Harvard University School of Medicine intends to go to England to study war conditions and any information they can get on the work of medical men. A considerable fund, according to the report, has been raised to send this delegation and they applied for life insurance previous to their sailing. Evidently there was considerably difficulty in getting this at standard rates. It was offered around and it gave the underwriters an opportunity to test their ingenuity as to how far they could go in granting insurance in view of the unprecedented bombarding going on over there at this time. Each doctor wanted \$25,000 insurance.

CAMPS 15-YEAR MAN

Manuel Camps, Jr., general agent New York City, John Hancock Mutual Life, who was elected a director of the company's general agents association at the recent convention at Portsmouth, N. H., entered the life insurance business 15 years ago this week.

JOHANNSEN MEN HOLD RALLY

The Johannsen agency of Northwestern Mutual in Brooklyn held an all-day sales congress, inaugurating its fall campaign. Forty-five attended. The speakers were all members of the agency. They included Frank A. Thomas, Philip R. Meany of Patchogue whose average application is \$19,500; Harold W. Baird, Robert W. Eldred, Ernest H. Earley, million dollar producer. Mr. Johannsen presented a new series of simplified graphic charts illustrating the coordination of social security benefits with life insurance.

A presidential election contest was announced at the luncheon. The agency was divided into two teams and each day for eight weeks they will battle for electoral votes of the 48 states in alphabetical order. Gold service pins were presented to A. Smith Petty for completion of 35 years with the agency; O. C. Cypriot, C. H. Nesbitt and Frederick A. Cottrell, 30 years; C. N. Smith, 25; Miss Elizabeth Myers, 20; M. J. Fallon and E. H. Earley, 15.

NAVAL COMMITTEE MEETS

The civilian committee headed by Manager Gerald A. Eubank of the Prudential, New York City, organized to obtain candidates for the navy's midshipmen's training course had an opportunity to see the course in actual operation this week when its members were guests at a luncheon and inspection

on board the U.S.S. "Illinois." Capt. J. J. London of the Illinois, who is in charge of the naval reserve midshipmen's school, was host. Capt. P. P. Blackburn, director of the naval reserve for the New York area was present.

Following luncheon the committee discussed plans for bringing to the attention of young men and employers in the insurance and financial fields the desirability of cooperating with the naval reserve program. The program involves a school for those candidates who are recommended following a 30-day cruise. The school lasts for three months and candidates receive the usual midshipman's pay and allowances for that period.

HENDERSON TAKES SABBATICAL

H. G. Henderson, assistant manager Eubank agency Prudential, New York City, will take a year's leave of absence beginning Oct. 1. Mr. Henderson has not taken a vacation in about five years and his year away from the office will be in the nature of an extended vacation. He plans to buy a car in Detroit and then tour to California, remaining there until about Jan. 1 after which he will go to Florida until about April. Heading north, he will visit the horse-breeding centers in Kentucky and Tennessee, as he has long been interested in the subject of horse-raising. Mr. Henderson, who is unmarried, will be accompanied by his mother.

Mr. Henderson has been closely associated with Manager Gerald A. Eubank since 1925 when Mr. Eubank was a partner in the famous Hart & Eubank general agency of the Aetna Life in New York City. Mr. Henderson soon developed a reputation among agents and brokers for ability of the first rank in expediting the handling of cases. He is exceptionally well versed in the details of policy contracts issued by all companies.

Though in excellent health, Mr. Henderson has to operate under considerable pressure and the cases that cross his desk are frequently excellent warnings of the wisdom of taking a prolonged vacation and getting clear away from business. He has for some time had this prolonged vacation in mind but until recently the health of his mother was such as to make an extended trip unwise.

Indiana Department Takes Neutral Stand on War Clause

INDIANAPOLIS—The Indiana department has taken the position that, as it has no final authority as to the legality of war clauses, it will accept and file clauses that are submitted but will not approve or disapprove them. Under the Indiana law provision is made for incontestability of a policy after a specified period, except for non-payment of premium or naval or military service, in time of war.

Whether the present may be deemed a time of war is one point that has arisen for departmental decision. As wars are in progress in some part of the


world almost without cessation and the present situation is simply one of intensity of war activities, since the United States is not at war, the inclination is to assume that this clause in the statutes does not at present apply.

However, the department is being asked if aviation training may not be regarded as military service. After consulting the attorney-general Commissioner Viehmann has taken the stand against attempting to interpret war clauses that may be submitted by the companies, accepting them for filing but not approving them, leaving that to the courts should occasion finally require an interpretation. The law provides that such clauses may be filed and if not rejected within 30 days they may be used at the filing company's discretion.

The department cites a case in point which arose during the Spanish American war. A soldier at home in Indiana on furlough was accidentally killed. The insurance company involved refused payment on the ground that the policyholder was killed while in military service. The supreme court, however, held that the policyholder was not in military service while on furlough and the company was required to pay.

Pacific Mutual Program

At the Atlantic City meeting of the Pacific Mutual Agency Association, Sept. 18-20, talks will be given by President A. N. Kemp and by Dr. L. H. Lee, medical director, on "Underwriting Principles and Practices." A seminar will be conducted by John M. Holcombe, Jr., manager Sales Research Bureau, on "The Problems of Successful Agency Leadership," and an "Idea Forum" will be conducted by Ted Dreyer, with collaboration of General Agents E. W. Albachten, W. W. Averett, Cliff Blackburn, C. C. Day, Seth Ellis, Harry Fabling, G. C. Janney, Emory Jenks, Rex Rafferty, Earl Rappaport and John Watts.



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THE DOMINION LIFE



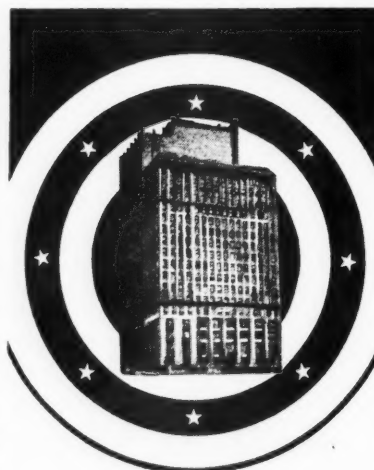
A full range of contracts is provided by the Dominion Life meeting every type of insurance need.

LIFE
ASSURANCE COMPANY

DETROIT
2724-6 Union Guardian Bldg.
F. W. SIMPSON, Manager

LANSING
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ROY G. NOWLIN, Manager

ESTABLISHED 1889 — HEAD OFFICE — WATERLOO — ONTARIO



**General Agency
OPPORTUNITIES
for good personal
producers**

Central Life
INSURANCE COMPANY
of Illinois
ALFRED MacARTHUR, PRESIDENT
211 WEST WACKER DRIVE, CHICAGO

Sales Ideas and Suggestions

John Hancock Leaders Get Wealth of Sales Pointers

W. B. Ackerman, Cincinnati, general agent, was elected president of the John Hancock General Agents Association at the annual convention of agency leaders at Portsmouth, N. H. R. M. Williams, Little Rock, and Dwight Sayward, Portland, Me., were elected vice presidents. C. W. Wyatt, Boston, will serve as treasurer and H. S. Stout of Dayton, O., as secretary. Directors are: Manuel Camps, Jr., New York City; John A. Witherspoon, Nashville; H. G. Saul, Los Angeles, and Dan W. Flickinger, Indianapolis.

Do the Day's Work

In opening the convention, first to be held since the John Hancock achieved the \$1,000,000,000 mark in assets, President Guy W. Cox struck the keynote and set the tempo of the proceedings by suggesting "a course of action to be followed at all times under any circumstances." Despite the anxious times great progress has been achieved by each one of us doing the day's work; setting our hands to the obvious, the commonest task assigned, with all our ability and strength. Whatever may be the doubts and uncertainties of the future, the best course of action for us to pursue is to follow this example we already have tried and established.

President Cox announced that new business from general agencies for the first eight months was the largest in the past 10 years. Payments to policyholders for the first six months was nearly \$53,000,000. Claims were paid on 2,102 John Hancock policies in force less than one year during the first six months, including 166 short duration claims under group policies. Payments to policyholders for the full year of 1939 amounted to \$95,678,000, or \$317,867 per working day. "If disbursements to policyholders this year continue at the increased rate of \$349,803 per business day, it will make our payments for the year over \$105,000,000," Mr. Cox said.

Meetings Conducted by Agents

A new high record was set in the number of agents who qualified for the convention. They gathered at the home office in Boston and were taken by special bus to Portsmouth in the afternoon. With the exception of the talk by Mr. Cox at the president's dinner the convention was strictly an agents' meeting, with no speakers either from the home office or from outside the John Hancock general agency force.

Careful staging injected a dramatic note into demonstrations of "doing the day's work," the convention theme. Ricks Strong, Dallas general agent, and Emerson Carey, Jr., Denver, presented a striking analogy between the progress of a football game and the progress of a sale. The value of teamwork in making the sale was defined by Mr. Strong as "relying and being relied upon—the basis of all human relations, in business, in sports and in home life."

Practical Approaches Told

J. B. Rowe, Charlotte, N. C., conducted a symposium in which four agents demonstrated approaches. Walter Lichtenstein, Indianapolis, told about a "payroll plan" approach in which he gains the prospect's interest by asking if he would add another man to his payroll at a weekly salary of \$16 (he assumed the prospect was 40 years old) if that new employee would agree to go off the payroll in 20 years and put him on instead at a salary of \$100 a month.

Gordon Stearns, Providence, showed how he makes an approach on wife insurance, by telling a story of a friend of his whose wife died in childbirth, leaving him with a heavy financial problem, which was partly solved by an insurance policy she had taken before her marriage. The talk tacitly suggests the wisdom of insurance on a wife's life to replace part of her value as manager of the household and trainer of the children.

R. H. McKinney, Little Rock, presented a juvenile approach, in which he asks the father of a young boy to consider what his boy's expense for life insurance will be when he is 24 years old. He then shows the savings which can be made by taking a policy when the boy is young.

"Is It Easy to Save?"

Fred Haskins, Jr., Des Moines, approaches young men with the question, "Is it easy for you to save money?" On receiving a negative answer, he retorts, "Is it because you can't do it or because you lack a plan?" Most prospects will admit that it is lack of a plan and from there on he demonstrates by means of a simple drawing showing the reserves in a life insurance policy, how easy it is to build up a savings fund through life insurance and also have protection for life. The drawing shows clearly to the man who thinks he wants a 20-year endowment how he can achieve the same end with an endowment at 85 policy and have more protection throughout his life than he will with the short endowment.

"A plan that you can stop paying for when you are 56 and that will start paying you when you are 65," is the opening used by W. B. Ware, Charleston, W. Va. He demonstrates by a simple sketch the earnings curve of the average man and shows how a man can obtain life insurance while his earning power is at its peak, which will be paid for before his earnings begin to decline.

J. R. Jones, Indianapolis, was master of ceremonies in a spelling bee, in which questions about life insurance were asked of J. W. Bates, Dallas; M. P. McClure, Pittsburgh; E. R. Joos, Minneapolis, and Corwin Hulbert, Omaha.

Round Table Clinics

The second day was given over to round table clinics on programming, selling and prospecting.

The selling session was conducted by Dwight Sayward, Portland, Me., general agent, with the following members of his agency: J. L. McCobb, C. E. Decker, R. W. Davis, E. W. Sawyer and R. V. Whyte. These producers gave an accurate picture of their daily work and what they accomplish with organized and prepared presentations.

Following a discussion of the most valuable sales talks for every day work, Mr. Sayward submitted a list of eight sales talks, which, the audience agreed, fitted most situations in daily solicitation. The five round table members then stepped to the front and drew lots to determine which man would deliver which talk. Thus, with less than 30 seconds notice, each man delivered the organized presentation selected by the audience.

Wyatt in Charge of Programming

The programming session was conducted by C. W. Wyatt, Boston general agent, with the aid of C. B. Johnson, B. H. Hunt, J. H. Bishop, H. J. Scheirer, J. E. Morrow and Pliny

Jewell, Jr., of his agency. Mr. Wyatt emphasized that programming goes beyond making an abstract of a man's policy. It is really a process of rationalizing and then underwriting his expectations. "If you were master of the basic fundamentals of programming, the mechanics are of secondary importance. Programming is the adaptation of particular contracts and conditions of those contracts to provide for the income needs of the individual, his family, his business, not only for the present, but for the future according to his financial condition."

Selling Maturity Essential

A good package selling man, according to Mr. Wyatt, sometimes fails by going into programming before he reaches the selling maturity necessary to carrying out this work.

In discussing the preparation of a programming interview, Mr. Bishop said it can be broken down into four parts: "Prospecting, qualifying your prospect, your soliciting document, and knowing your story." Every good prospect for a program should be married with dependent children and earning upwards of \$2,500 annually. "If he is earning less," Mr. Bishop said, "he will not have the ability to handle a program and both you, as far as your time is concerned, and he, as far as satisfaction is concerned, will be a great deal better off on a single needs sale."

Four Classes of Prospects

Mr. Scheirer said prospects are divided into four classes: "People you know well and intimately; the referred leads, names given to you by friends and policyholders; neighbors; and people you do not know anything about."

The first thing an agent must do in programming, according to Mr. Scheirer, is to excite sufficient interest on the part of the prospect so that he earns the right to an interview. "A good approach technique is to offer to show the prospect what you have done in programming for another person. The majority of prospects will become at least curious enough to want to see what we have done for the other fellow. Get the prospect talking and you will get your information more easily, nine times out of ten walking out of his office with his policies under your arm."

"In five minutes," Mr. Hunt said in outlining the necessary work of a program to be done in the office, "you can take off all the information you need from a policy to build his program. Assuming a man has 12 policies, this amounts to only an hour's work."

Make Presentation Personal

"It is important," Mr. Hunt said, "to get the names of a man's wife and children, as it makes the presentation much more personal. It is also essential to have full information as to his present financial condition, because you can't do a real job unless you know the following points: how much earned income he has; how much profit he earns and if it is income producing; whether he comes in on a pension plan of his firm."

By means of a simple chart, Mr. Hunt records all the essential facts on a man's present policies and shows him how far his present estate will go toward reaching the goal he has set for himself in income for himself and his family.

"Every day you work you are an actor," Mr. Morrow told the clinic in discussing the second interview. "When you are programming, you are playing the principal part in a drama highly important to yourself, your client, and your community, and success depends on how well you play your part."

The ideal setting, Mr. Morrow pointed out, is at home in the evening,

with the prospect seated at one end of a divan, his wife at the other, and the agent in the center. "I prefer," said Mr. Morrow, "to use a simple graph, using a blue pencil to indicate what the prospect's present insurance will do, and a red pencil to show the completion of a desired program. I find this an effective way of demonstrating the need for additional insurance."

Service and follow-up were defined by Mr. Jewell as "one of the most critical stages of the life insurance business."

If done as intelligently as the original sale, service and follow-up can make our business more pleasant. The average annual resales of the better producers is around 60 percent. If we are falling short of this, let's take stock. The prospect must be constantly refreshed on his program. He needs to be reminded constantly that he is shooting for a definite goal. Don't continue calling on your client without any new ideas. Give him something to think about."

Prospecting Round Table

Leaders in discussion on prospecting, conducted by Manuel Camps, Jr., New York general agent, were the following members of his agency: J. T. Haviland, E. L. Sweedler, W. G. O'Brien, C. A. Cunningham.

Mr. Haviland sets up the number of people he must see each year into three classification requirements: the \$3,000 average policy which requires 3,360 calls a year to reach the objective of 84 cases; the below \$3,000 classification which requires more calls; the over \$3,000 average classification which requires few calls.

"The higher you set your average policy objective," Mr. Haviland said, "the more you can reduce the number of calls it is necessary to reach a definite income goal."

"Every minute spent in a prospect's presence trying to sell increases our chances to meet income needs. It is a fact that we must spend at least four hours every working day and one or two hours during as many evenings each week in the presence of prospects. We have just so much time, so many hours each day to work. Therefore, the proper use of time is very important in our business. The amount of time it takes to properly secure all the prospects an underwriter can possibly see is nothing compared to the terrific waste of time that results from the hit or miss method. Therefore, it is true, that where definiteness begins in prospecting, confusion ends."

Natural Prospecting Defined

Mr. Sweedler defined what he terms "natural prospecting," which "consists of careful and attentive notice of things happening in your community, of changes, advancements and promotions. The local newspaper is a valuable aid and a great deal of information can usually be secured over the bridge table, at lunch, on the morning train, etc."

"If you establish confidence," he continued, "people will often open up and prove to be more glib and voluble than you suppose. Get all the information you can. Ask questions. Get old and familiar names, positions and jot these things down. Interrogate until you tap the source dry."

In discussing cold canvass, Mr. Cunningham declared that confidence in one's self and the security of knowing that one can be of service, is essential.

In defining a prospect, Mr. O'Brien said he believed that everyone needs some form of insurance and "my aim is to help them buy it. I don't worry much about whether they can pass—

but I am gravely concerned about whether they can pay and whether I can see them under favorable circumstances. I use every possible means of meeting people outside my own immediate circle." He has found it helps to be an active worker in various groups. In this way he can build prestige and also select the people on whom he wants to call.

Corinne Loomis, Boston associate general agent, was elected president of the John Hancock C. L. U. chapter. Edwin J. Allen, Harry Gardiner Agency, New York City, was elected secretary and treasurer. Regional directors are H. W. Dougher, Los Angeles, for the west coast; A. H. Feltus, Buffalo, for the east coast; and C. W. Griffith, Columbus, for the middle west.

LIFE AGENCY CHANGES

Fox Named Supervisor of Anzel Agency in N. Y.

Joseph W. Fox was named agency supervisor of the Jules Anzel agency of Continental American Life in New York City. He is a native of Jersey City and entered insurance work in 1921. After an extensive education in life insurance at City College of New York and Rutgers University, he became an agent of Continental American early in 1938. He qualified in the first seven

months as a member of the Minute Men Club, a feat which usually requires a full year, and then Qualified for the Leaders Club.

Again in 1940, he qualified for the Minute Men Club, and at the home office dedication ceremonies held in Wilmington in June, he was a member of the dedication committee. He has been a member of the "Spade Crusade," and twice a member of the Founders Club. He is active in political circles in Summit, N. J., where he resides.

Ohio National Life Names Henry Royer in Chicago

Henry Royer has been named general agent for the Ohio National Life in Chicago to succeed A. E. McKeough and George Severance will be associate general agent. Announcement of both appointments was made by N. E. Glassbrook, divisional manager for Michigan, Illinois and Indiana.

Both Mr. Royer and Mr. Severance have been personal producers. Formerly an officer of the Materials Service Co., Mr. Royer joined the Ohio National two years ago and has qualified for the App-a-Week Club for 87 weeks. He is second in standing of company regional agents for volume of new business for the year. Mr. Severance has qualified for the App-a-Week Club for 338 weeks. He was second highest producer for the company last year, and at the Builders Club convention he was elected vice-president.

Old Line Life Appoints New General Agent in Chicago

Raymond S. Bernhard, agent John Hancock in Chicago for a year, and well known there because of prior important agency connections, this week was appointed general agent by Old Line Life of Milwaukee to open a new office in Chicago having state-wide jurisdiction. Mr. Bernhard initially will devote much of his time to developing suburban business.

He opened an office in the Westminster building, 110 South Dearborn street, Room 714. The telephone number is STAtE 658.

Mr. Bernhard has had 13 years' life insurance experience, all in Chicago, for nine years being educational director Heifetz agency Mutual of New York, one year as assistant agency manager Pacific Mutual, a year as assistant general agent Massachusetts Mutual, before

going with General Agent W. M. Houze of John Hancock. He has been a large personal producer.

He is an authority on estate taxes,



RAYMOND S. BERNHARD

programming and business insurance, and is the author of a reference work on these subjects published by Commerce Clearing House.

Mr. Bernhard after graduation from school in Milwaukee in 1909, was advertising solicitor of the Milwaukee "Journal," then was advertising manager of a department store there. He became advertising manager of a Rockford, Ill., industry, later directing a chain of Chicago stores.

Allan McKeough Resigns

A. E. McKeough announces his resignation as general agent of the Ohio National Life in Chicago. He has been

in the insurance business in Chicago for over 20 years. He is a past president of the Chicago Association of Life Underwriters and at present is first vice-president of the Illinois state association. He expects to announce his new connection shortly.

Cunningham General Agent in Syracuse, N. Y.

W. E. Cunningham has been appointed general agent Syracuse, N. Y., by Mutual Trust Life. He has been in life insurance sales work for 20 years, having served three eastern companies as agent, assistant manager, manager, supervisor and general agent. For the last four years he has been general agent in Syracuse of Provident Mutual.

L. R. Lunoe, eastern manager, stated the appointment is an important link in the chain of agencies being developed in New York, which the company entered about a year ago. Other general agencies were established in the Bronx, Fort Plain, Schenectady, New York City and Utica.

Purves to Assist Hamlin

J. T. Purves has been appointed agency assistant of the Buffalo agency of the Mutual Benefit Life by Clay W. Hamlin, general agent. Mr. Purves succeeds D. L. Roberts who has been named general agent at Rochester, N. Y.

Du Bois Rejoins Equitable, Ia.

C. O. Du Bois, for the past five years Oakland, Cal. manager of the American Mutual Life, has resigned and rejoined the Equitable Life of Iowa. Henry Phelan, formerly with the American Mutual in Sacramento, will locate in Oakland and look after company policyholders in that territory.

Dennis Named at Marshalltown

D. A. Dennis, Cedar Rapids, has been appointed by the Metropolitan Life to succeed the late Oliver Mabie as Marshalltown, Ia., manager. Mr. Dennis started out in 1935 in Newton, Ia., as an agent. He went to Cedar Rapids 14 months later as assistant manager.

O'Keefe Is Conway Associate

L. G. O'Keefe has been appointed associate general agent of the W. A. Conway agency of the State Mutual Life in Springfield, Mass. He has been with that office since May, 1939. He was graduated from Harvard in 1912 and

Home Life, N. Y., Opens 2nd Philadelphia Agency



THOMAS A. DENT, JR.

Home Life of New York has appointed a second general agent in Philadelphia, Thomas A. Dent, Jr. The already existing agency in Philadelphia is headed by Joseph E. Lockwood. Home Life is pursuing the policy of establishing multiple agencies in metropolitan centers finding that they contribute to building prestige for the company and thereby make the task of the separate general agents easier.

Mr. Dent is a graduate of Union College. He was in the furniture business for many years. He has been in the life insurance business, with New York Life, since 1934. He was for many years a consistent member of the "Top Club" of New York Life. Offices for the new agency will be located in downtown Philadelphia but the exact site has not as yet been announced.

has been selling life insurance in Springfield for 21 years. He was in ninth place on the company's honor roll for August.

Stevens Promoted by Travelers

G. F. Stevens, field assistant life, accident and group departments, St. Louis branch office of Travelers, has been promoted to assistant manager there.

Kenagy to Talk in Newark

H. G. Kenagy, superintendent of agencies Mutual Benefit Life, will speak at the dinner meeting of the Life Agency Supervisors Association of Northern New Jersey Sept. 17 on "Let's Try Management."

Schedule J. C. Edwards Party

The J. C. Edwards & Sons agency of Kansas City Life at Macon, Ga., will hold its annual educational conference Sept. 25-26, followed by a fishing trip at St. Marks, Fla. Representing the home office will be W. E. Bixby, president; J. A. Budinger, vice-president and actuary; E. E. Chappel, assistant superintendent of agencies, and F. W. Boyce, assistant secretary. C. L. Rhyne, state manager of North Carolina, will be a guest.

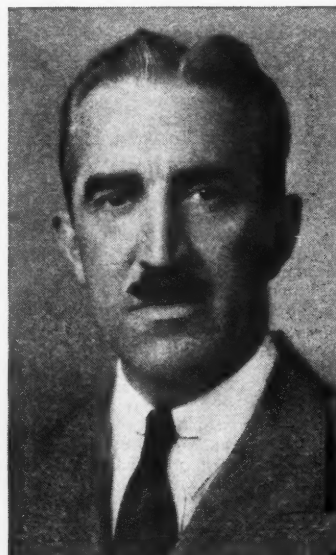
Bruce Richardson, manager of the west Washington branch of the Canada Life, has returned to Canada to join the field force at Calgary. He has been with the Canada Life since 1926, having been stationed in Winnipeg, Vancouver and Seattle.

The Great-West Life is organizing a branch in the Okanagan valley district of British Columbia in charge of N. White, Kelowna. He was formerly manager at Calgary.

A course in the principles and practices of insurance will start at Franklin University, Columbus, O., Sept. 15, with Robert Blue, field assistant and educational director of the Travelers, as instructor. The course will include group and hospitalization insurance.



D. O. McLERAN



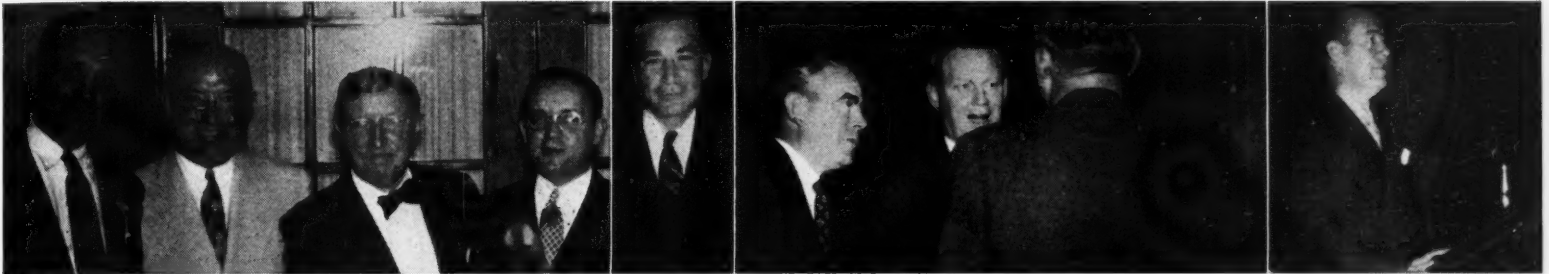
COL. G. M. CHESCHEIR

Two new general agents of New England Mutual Life have assumed their posts, D. O. McLeran in St. Paul and Col. G. M. Chescheir in Louisville.



The Builders Club of the Ohio National Life held an enthusiastic gathering at White Sulphur Springs, W. Va., with "Better Business Through Better Selling" as

the convention theme. President T. W. Appleby predicted better times ahead.



Snapped at National Fraternal Congress annual meeting in Baltimore—(left to right)—R. H. Matthias, Chicago, Lutheran Brotherhood; C. D. DeBarry, Chicago; A. W. Fulton, Chicago attorney; F. H. Lee, actuary Woman's Benefit, Port Huron, Mich. Superintendent Pink, New York; Commissioner Blackall, Connecticut; Com-

missioner Gontrum, Maryland; V. P. Whitsitt, manager-general counsel, Life Presidents Association, (back-turned); F. F. Farrell, manager N. F. C.; Governor O'Connor, Maryland.



Views at National Fraternal Congress annual meeting in Baltimore (left to right)—Newly elected officers of Presidents Section: N. J. Williams, president Equitable Reserve, Neenah, Wis., secretary; Mrs. Grace W. McCurdy, head of Royal Neighbors, Rock Island, Ill., second vice-president; Francis Taptich, president United Societies of the Greek Catholic Religion, Pittsburgh, first vice-president; W. C. Below, president Fidelity Life, Fulton, Ill., president, being installed by A. O. Benz, president Aid Association for Lutherans, Appleton, Wis., president-elect of N. F. C.; W. O. Hayes, Baltimore, Maryland manager Maccabees, general chairman of local arrangements committees; new officers of State Congresses Section: H. Bruce

Meisel, Ben Hur Life, Philadelphia, secretary; Mrs. Henrietta Snider, Woodmen Circle, Richmond, Va., president; John Foley, Los Angeles, California, W. O. W. of Denver, vice-president; J. B. Baker, Michigan manager Maccabees, Detroit, retiring president, and two members of executive committee, P. J. Leyhe, Aid Association for Lutherans, St. Louis, Mo., and Mrs. Ethel Holway, Woodmen Circle, Montgomery, Ala.; two general counsel and managers of life company organizations—Col. C. B. Robbins, American Life Convention, Chicago, and V. P. Whitsitt, Life Presidents Association, New York.



Groups photoflashed at annual meeting of National Fraternal Congress in Baltimore—(left to right)—New officers of Law Section: W. C. Braden, W. O. W., Omaha, president; George G. Perrin, general counsel Modern Woodmen, Rock Island, Ill., vice-president; R. F. Allen, general counsel Standard Life, Topeka, secretary-treasurer; Edward Jeffries, past section president, mayor of Detroit; page girls—Mary and

Pauline Herrmann, Audrey Hoppe, Virginia Long, of Reviews Nos. 4 and 5, Woman's Benefit, Baltimore; New Press Section officers: Henry R. Freitag, director of publicity Modern Woodmen, Rock Island, Ill., vice-president; Mrs. Kate K. Miller, editor W. O. W., Omaha, president; Mrs. Mary A. Baird, editor Woman's Benefit, Port Huron, Mich.



Glimpses of National Fraternal Congress annual meeting in Baltimore (left to right): New officers of Secretaries Section: T. P. Gibb, Order of Scottish Clans, Boston, vice-president; Miss Anna E. Phelan, secretary Women's Catholic Order of Foresters, Chicago, secretary; Farrar Newberry, secretary W. O. W., Omaha, president; Mrs. Mamie E. Long, secretary Woodmen Circle, Omaha, retiring president; Polish Roman Catholic Union boys band which entertained congress; director, H. Hunter Wilder, Baltimore, in white uniform; back row (left to right)—

Dr. W. A. Dziuk, medical director; Julian Groszewski, field manager; J. J. Barc, secretary; Joseph L. Kania, president; Mrs. Antonina Czerniak, vice-president; John Weber, organizer of band; S. T. Kusper, general counsel; officers of Fraternal Field Managers Association: L. T. Duffy, chief organizer Catholic Order of Foresters, Chicago, vice-president; W. E. Wright, recorder A. O. U. W. of Fargo, N. D., president; J. E. Little, actuary and field director Maccabees, Detroit, secretary.



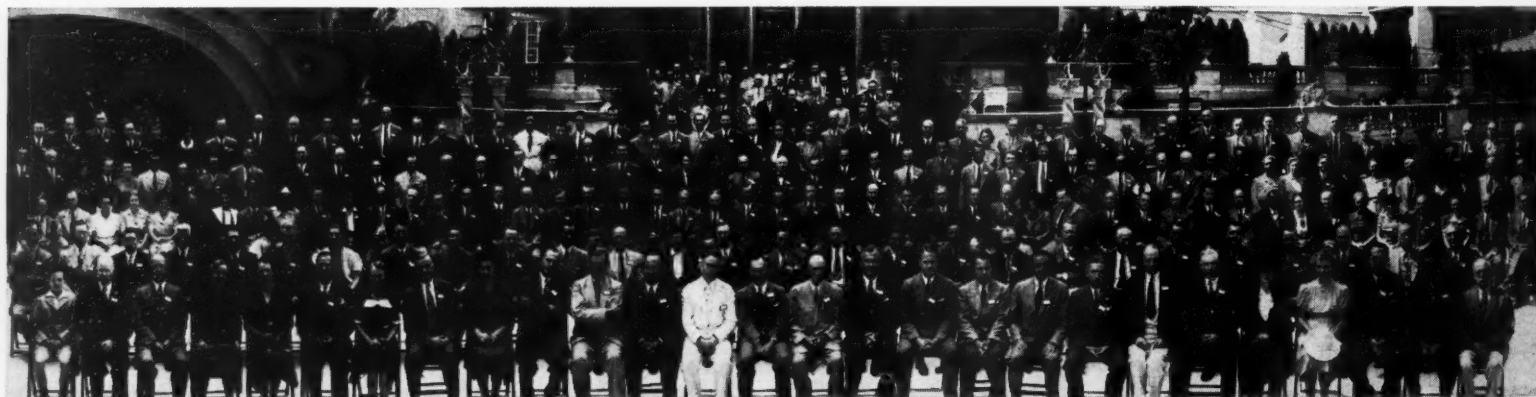
The Pacific Mutual's Big Tree Top Stars paid a visit to the home office recently. Top (left to right): William Breiby, vice-president, Mrs. C. P. Hochstadter, wife of the president of the Big Tree Club, and Earl Denman. Center: Russell Harriman, secretary, Mrs. Denman, George Young, assistant treasurer, Mrs. Hilda J. Meade, Cincinnati, L. P. Robertson, assistant counsel, Mrs. Hochstadter and L. J. Cooper, associate actuary. Bottom: Dr. L. H. Lee, medical director, Mrs. Denham and Erick Gebzen of Lake Charles, La.



President W. E. Bixby (right) of the Kansas City Life was presented with 640 applications for \$1,507,000 new business on his birthday. J. F. Barr, superintendent of agencies, made the presentation assisted by F. W. Boyce, assistant secretary; R. L. Fitzgerald, Missouri manager, and J. D. McInnes, Jr., manager of the Kansas City agency.



President G. W. Smith of the New England Mutual Life is shown wielding a silver trowel while the cornerstone is being set in place for the company's new home office in Boston. Interesting historical documents were sealed in the cornerstone including copies of the original charter and a policy issued to Daniel Webster.



With "Moving Forward With Right Thinking and Positive Action" as the convention theme, agents of the National Life of Vermont gathered in Chicago to observe its 90th anniversary. Talks on specific sales pointers and an analysis of the

National Life's strong financial position by President E. S. Brigham featured the meeting.